

Mock, Thatcher deny 'Dump Waldheim' letter

By DAVID HOROWITZ in London and ILONA HENRY in Vienna
Jerusalem Post Correspondents and Staff

British Prime Minister Margaret Thatcher and Austrian Foreign Minister Alois Mock both denied yesterday that Mock had sent Thatcher a letter suggesting that Austrian President Kurt Waldheim ought to be persuaded to resign.

A copy of such a letter, dated December 15, 1986, was published in yesterday's *Jerusalem Post*.

Mock told reporters in Vienna yesterday: "The letter does not exist. It is a macabre, repeat macabre, piece of shame. I just hope that the international public will not be influenced by such a falsification, which is part of the atrocious campaign against our head of state, Dr. Kurt Waldheim, and Austria itself."

Mock added: "I truly hope that this letter was not published by people who want to harm the relationship between Austria and Israel. I, for my part, do not want to add fuel to the fire."

A spokesman for Thatcher said in London that the British prime minister had indeed received a letter from Mock in mid-December 1986, but that it had been "almost like a circular, sent to numerous conservative party leaders around the world."

The spokesman added that "the letter didn't mention Kurt Waldheim at all. It contained just an account of the Austrian election campaign, and Christmas greetings." Copy of the letter appears on page two.

A Downing Street source told *The Post* that the letter Thatcher received "was really just a long piece explaining how badly the Conservative party had fared with Austrian voters."

On the photocopied letter re-

ceived by *The Post* this week - below a personal note to the British prime minister - appeared Thatcher's signature.

The signature, under close examination, appeared to be identical with other recent examples of Thatcher's signature. *The Post* is continuing to investigate additional material relating to the affair.

The Conservative Central Office, the address to which the letter published by *The Post* was sent, had no record of a letter from Austria to the prime minister, but added that "letters for Mrs. Thatcher are not always logged. They may simply be passed on to Downing Street."

British foreign policy experts, who asked to remain anonymous, said yesterday that "Britain would certainly not be displeased to see Waldheim resign." But they added: "It seems unlikely that Mock would have written to Thatcher in this way."

One British source speculated that the letter published by *The Post* yesterday might have been a draft of a letter that Mock eventually decided against sending.

The prime minister's spokesman also told *The Post* that, with the exception of Mock's innocuous December circular, there had been no correspondence between the two for several months.

Britain's official line on Waldheim remains that the Ministry of Defence is investigating his war record and has as yet produced no incriminating evidence against him.

MP Robert Rhodes-James has assembled a detailed dossier on the Austrian president, which was passed to the prime minister some months ago for investigation.

Rhodes-James told *The Post* yesterday that his dossier was "still under discussion."

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Jewish and Arab women talk about land and peace yesterday, as residents of the village of Sur Bahir and nearby Jewish neighbourhoods protest against the planting of a forest on the village's farm lands. See story - Page 2.
(Dan Landau)

TV blacked out as technicians strike over chief's suspension

By GREER FAY CASHMAN

Jerusalem Post Reporter
Israel Television was blacked out yesterday, as technicians called a strike to fight the suspension on Monday of technicians works committee chairman Sion Swery.

The technicians said they would stay off the job until the suspension was revoked. They also demanded the immediate resignations of Broadcasting Authority director-general Uri Pnart and ITV deputy director Yosef Tzemaeh.

"Yesterday it was Einhorn," one said. "Tomorrow it will be Pnart."

Swery was suspended for allegedly having issued the order to technician Moti Levy ending Sunday's live transmission of the U.S. National Basketball Association all-stars bas-

ketball match from Seattle, Washington, minutes before it was due to end.

The technicians, however, insist that it was not Swery, but Histadrut representative Avraham Shoham, who gave the order. Since Monday, Shoham has variously denied and accepted responsibility for interfering with the broadcast.

Late last night, Ze'ev Lebel, Broadcasting Authority employees' representative at the Histadrut, arrived at IBA headquarters claiming that Shoham had personally told him that it was he and not Swery who closed down the game seven minutes before the end. On that basis, he contended, Swery was vindicated.

The IBA management committee thought otherwise and refused to

reinstatement Swery. Only minutes before Lebel arrived, the committee released a statement declaring that it took a grave view of the behaviour of the technicians, which it noted was in violation of recent rulings by the Labour Court. The committee urged the technicians to return to regular and orderly work and requested management to take the proper steps to ensure that broadcasts would be resumed.

Earlier in the evening, some 60 technicians, after mounting a demonstration in the corridors of IBA headquarters, stormed the meeting of the management committee. Shouting, "Pnart you have destroyed television," "You're the emissary of Satan," and "How can you spend

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Shamir: It's still 'no' to international parley

By DVORAH GETZLER
Post Knesset Reporter

There has been no change in the national unity government's negative attitude to an international Middle East peace conference involving the Soviet Union and the Palestinians, Premier Shamir reiterated to the Knesset yesterday.

Looking far less calm and collected than he seemed last month when he answered similar questions to those posed yesterday by the Citizens Rights Movement's Yossi Sarid and Mapam's Mohammed Wattad, Shamir insisted: "The government is bound by its basic guidelines. These make no mention of an international conference; thus the government is not moving and will not move towards the international conference that you want."

According to Shamir: "No Zionist party has, to this day, adopted this idea."

Labour sees Likud 'breaking' unity gov't

By MENACHEM SHALEV

Responding to Shamir's statement in the Knesset yesterday, Labour Party ministers said last night that the Likud had apparently decided to "break" the national unity government. The ministers said that Shamir himself had agreed to the idea of an international peace parley when then-prime minister Peres presented the matter to the Knesset in October 1985.

The ministers said that the govern-

ment's efforts to reach agreement with the U.S., Egypt and Jordan on the conditions of an "accompanying conference" had enhanced Israel's stature in the world. Going back on these efforts, they said, would harm the chances for peace and for continued national unity.

The ministers said that if Shamir was trying to block the possibility of an international conference, the government would not continue to exist.

That statement brought a storm of shouting from Sarid, and from Labour's Haim Ramon and David Libai who, in outraged tones, asked whether Shamir was saying that an international conference was *ipso facto* a non-Zionist idea.

It was also charged that former premier Menachem Begin had himself floated the idea. But that, said Shamir, had been under American pressure. It had been before Camp David, before Anwar Sadat's visit to Jerusalem.

And the Camp David agreements, he reminded his opponents, had been signed without Russian intervention. Israel had everything to lose and nothing to gain from an international conference.

As for Foreign Minister Peres' remarks in Europe last month which sparked yesterday's motions for the agenda: Peres had reported to the cabinet and had said that he had

(Continued on Page 2, Col. 3)

Meeting on budget compromise today

By AVI TEMKIN

Post Economic Reporter
Labour and Likud ministers are due to meet separately this morning to consider a compromise over the Likud's demand for more funding for West Bank settlers. The compromise proposal was worked out yesterday by Finance Minister Moshe Nissim and coalition chairman Rafi Edri.

Both Likud and Labour MKs were optimistic last night that a general crisis had been averted. MK Haim Ramon, the senior Alignment man in the Finance Committee, told reporters that "there is no crisis." But other sources were less sure that the budget row was over. They said that the leaders of both parties have yet to agree to the compromise. "It is not a foregone conclusion. Edri and Nissim do not want a crisis or elections, but there is no assurance that Vice Premier Peres will accept the formula," they said. They added that, on the Likud side, Housing Minister David Levy could still try to

block approval of the Edri-Nissim formula.

If the compromise is accepted, the state budget bill will be submitted for a first reading almost immediately together with other bills on an education fee and changes in the tax system. But if the compromise is rejected by one of the parties, the coalition will be on the verge of a real crisis.

According to the formula hammered out by Nissim and Edri, the state budget bill will be immediately approved by the Knesset, and the Knesset Finance Committee will then approve the NIS 264 million debt-rescheduling package for the United Kibbutz Movement.

In addition, the Alignment and the Likud will pledge not to block any requests tabled by the Treasury in the Knesset Finance Committee, including the funding for West Bank settlements. As a concession to the Alignment, Nissim has pledged that all financial requests will be carefully examined, and that there will be no

prior commitment on the sum to be diverted to West Bank settlers. The Likud radicals and Gush Emunim have rejected this formula several times in recent days.

Peres is now considered by some of his colleagues to belong to the "radicals" in the Labour Party who oppose a compromise on the budget issue.

Menachem Shalev adds: Earlier yesterday, a senior Labour Party source said that the present coalition crisis may have passed the point of no return. "The most plausible thing now is early elections," he said.

The source added that the Likud's demands for what amounted to a "carte blanche" to approve funds for West Bank settlements were clearly untenable for Labour "and our electorate." The problem, he said, was that the Likud had now reached the point where they were going to find it very difficult to "get down the high tree they had climbed."

Aviam Sella could be liable for indictment in Pollard case

By WOLF BLITZER

Jerusalem Post Reporter
WASHINGTON. - Israel Air Force General Aviam Sella has been informed by the U.S. Justice Department that an investigation into his role in the Jonathan Jay Pollard spy scandal could lead to his formal indictment. U.S. officials said yesterday.

The Justice Department has also informed three other Israeli officials

implicated in the affair that it is moving to revoke their earlier-granted immunity from prosecution because they were not truthful during their questioning in Israel in December 1985 by a visiting U.S. delegation.

"Truthful testimony is a condition for a grant of immunity and federal prosecutors believe that the three Israelis lied or withheld crucial information in the Pollard probe." *The*

Washington Post reported yesterday in a front-page story.

The three Israelis are Rafael Eitan, the former counterterrorism adviser to Prime Ministers Menachem Begin and Yitzhak Shamir and head of the now-disbanded Lekem scientific intelligence-gathering unit in the Defence Ministry; Yosef Yagur, the former science counsellor at the Israeli Consulate in New York; and Irit Erb, a former

'Secret deal on hostages'

Shamir states: Would consider airman swap

Post Middle East Staff

Prime Minister Yitzhak Shamir said yesterday that Israel would consider exchanging Arab prisoners for a captured IDF airman in Lebanon amid Beirut radio reports that a "hush-hush" deal in the works might also free four foreign hostages in Beirut.

One day after postponing the execution of the foreign hostages, their captors said they would be satisfied with an "official promise" from Israel to release 400 Arab prisoners.

The Islamic Jihad for the liberation of Palestine had made its demand earlier in a message from hostage Alan Steen to a Western news agency, reported Agence France Presse.

The Islamic Jihad group had threatened to execute the four foreign Beirut University College (BUC) professors by midnight Monday if Israel failed to immediately release the 400 Arab prisoners.

In yesterday's message, the group said it had extended the execution deadline because of a "change in the Israeli government stance" and for humanitarian reasons.

In Beirut, the Christian-run Voice of Lebanon and the Moslem Voice of the Nation radio stations quoted "reports from Washington and other capitals" as saying the kidnappers may be working through the Red Cross for an exchange with Israel.

But International Red Cross representatives denied that the orga-

nization was involved in negotiations over a prisoner exchange. The IDF's coordinator in Lebanon, Uri Lubrani, also denied knowledge of any Israeli contacts on the hostages.

Asked on Israel TV what Israel's response would be to a request to enter into negotiations, Shamir said: "Then we would check, see and think."

Foreign diplomats in Israel told Reuters they believed that intense efforts were being made behind the scenes to obtain the release of the IDF airman, shot down on October 16 during an air raid over Lebanon. The airman, a navigator, is reportedly in the hands of the Shi'ite Amal militia.

Amal leader Nabih Berri proposed on Saturday that the navigator be included in a hostages-for-prisoners deal demanded by the kidnappers of the four professors, who were abducted on January 24 from the BUC campus.

Vice Premier Shimon Peres yesterday dismissed the Berri offer as an "unformed trial balloon." But he left the door open for Israeli "concessions" to assure the return of the captured navigator.

"We do not generally give in to terrorists. But we shall not rest till we have our airman back, and if we get reasonable offers, we shall consider them," Peres told *The Jerusalem Post* during a visit to Haifa port.

Political sources in Beirut, meanwhile, said the kidnappers had given

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Price increases of 4-10%

By AVI TEMKIN

Post Economic Reporter
The Industry Ministry yesterday approved price hikes ranging from 4 to 10 per cent for a large number of goods. It was the first round of increases in controlled prices to be approved by the government since the January 13 devaluation of the shekel.

Prices of paper products went up by 4 per cent, clothes and shoes by 4 to 5 per cent, and some food pro-

ducts by 5-10 per cent. The Industry Ministry said the price increases would cause a rise of 0.3 per cent in the Consumer Price Index.

The announcement of the increases came one day after the Bank of Israel raised interest rates in the economy by 1 per cent a month. Economic observers said last night that yesterday's hike was probably connected with the government's efforts to "compensate" industrialists for the central bank's step.

McFarlane, a suicide attempt

WASHINGTON. - Robert McFarlane, a pivotal player in the Iran arms scandal, was in good condition in hospital yesterday after taking an overdose of Valium. Police were treating the case as a suicide attempt.

Paramedics rushed to McFarlane's home on Monday morning in response to an emergency call and determined that he had swallowed up to 30 Valium tablets, police said.

"Based on the amount of pills taken, we treated it as an attempted suicide," a detective for the Montgomery County, Maryland, police

department said. "We don't do anything further in these cases where the person says it was self-inflicted," he said. "We let the doctors and the hospital take care of it."

The *Washington Post* reported yesterday that family members found what appeared to be a suicide note, but they would not divulge its contents to the ambulance crew.

A spokesman for Bethesda Naval Hospital would not say how long President Reagan's former national security adviser would remain in hospital or describe his treatment.

No more moonlighting for MKs

By ASHER WALLFISH

Post Knesset Correspondent
Members of the next Knesset will not be permitted to engage in any gainful occupation other than their parliamentary work, according to a decision passed by the House Committee yesterday.

In addition to this revolution in the parliamentary sphere, brought about by years of public pressure as

well as a campaign by the smaller factions, members of the present Knesset will also be under far-reaching occupational restrictions.

Twelve members of the House Committee sponsored the reform measures, which were approved without demur. The MKs represent Tebiya, Mapam, the Alignment (including Yahad), Shinui, the Democratic Front for Peace and Equality, Morasha, the Citizens Rights Movement and the Likud.

Within one month, the House Committee decided, a public committee will be set up outside of the Knesset to determine how the decision to bar extramural occupations will be implemented.

Members of the present Knesset will have to publish a list of all their economic interests, and a statement listing their sources of income and those of members of their families. They will be prohibited from representing clients before any official authorities.

During the discussion that preceded the committee vote, members pointed out that the rules enforcing the new decisions would have to be tightly drafted so as to leave the minimum number of loopholes.

Many members of the present Knesset run very lucrative law practices. Others act as highly paid consultants in economic and other spheres. The aim of the reform is to ensure that MKs devote all their time to their parliamentary duties.

The House Committee does not intend to stop MKs from writing or lecturing, when these are occupations of an occasional nature.

Knesset Speaker Shlomo Hillel said he and House Committee chairman Michael Reisser would choose the members of the public committee.

Hillel congratulated the House Committee on its decisions and described them as a natural follow-up to last year's decision to increase MKs' salaries.

New Israel state papers

In 1949, 'neither side rushed towards peace'

By BENNY MORRIS

Post Diplomatic Correspondent
Neither Israel nor the Arab states "rushed towards peace" in 1949, said Yemima Rosenthal, the editor of the new volume of Israeli state papers, which was published yesterday.

At a press conference in Jerusalem to mark the publication of *Documents on the Foreign Policy of Israel Vol. 4, May-December 1949*, Rosenthal, however, emphasized the "measure of flexibility" that characterized Israeli policy-making during that crucial post-war year. Flanked by State Archivist Professor Avraham Alsheg and Colette Avital, she referred in particular to Israel's readiness on various counts: to annex the Egyptian-held Gaza Strip, including its 250,000 Arab inhabitants; to reciprocate with a

cession to Egypt of a tract of land along the border; to absorb 65,000 refugees (often designated misleadingly the "100,000 offer"); and to submit to the "internationalization" of the (Jordanian-held) Old City of Jerusalem.

These points notwithstanding, however, Rosenthal wrote in the "Introduction" to this impressive 835-page volume: "The line adopted on the question of peace during the period dealt with... held that Israel must not rush, or allow herself to be rushed, into any peace settlement entailing far-reaching territorial or other concessions which would threaten her security... It was accepted that, for the time being, the armistice agreements represented an effective substitute for a peace agreement... The fear that reiterated declarations of Israel's desire

for peace would be interpreted as a sign of weakness led to avoidance of anxious statements on the urgent need for peace..."

Rosenthal's assessment is in large measure based on a series of documents relating to Israel's responses to major peace overtures or feelers by Amman and Damascus in the spring of 1949.

Regarding Transjordan, Foreign Minister Moshe Sharett on May 25, three weeks after meeting King Abdullah in Shuneh, told a meeting of Foreign Ministry division heads: "Transjordan said - we are ready for peace immediately. We said - certainly, we too want peace but one shouldn't rush, one should wait. The foundations have already been laid, that is the armistice agreement. The walls are the [specific] agreements on Latrun, Mount Scopus, the

[Jerusalem-Tel Aviv] train, etc. and afterwards, of course, we will install the roof. To this Transjordan responded: You only wish to profit by this and afterwards you will leave us alone [i.e., discard us]. No, first let us build the peace. We again responded: One should not rush, one should wait."

At that briefing, Sharett also laid the ground-rules for Israel's approach to Syria, whose new president, Hosni Zaim, had just proposed peace talks. Sharett said: "It is clear that we... won't agree that any bit of the Land of Israel be transferred to Syria, because this is a question of control over the water sources [i.e., over the Jordan River]. There was a proposal by Zaim to meet, but this meeting didn't take place. He thought that the prime minister [i.e., David Ben-Gurion] or at least I

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Apology to Readers

Because of technical difficulties, some consignments of *The Jerusalem Post* missed their inter-city delivery connections, early yesterday morning. To those readers who did not get a paper, we offer our apologies.

The Circulation Department
F225-10423

The weather at major Swissair destinations

	10.2.87	MIN.	MAX.	
AMSTERDAM	4	3	4	Cloudy
BRUSSELS	-2	2	5	Cloudy
BRUSSELS AIRS	9	16	18	Clear
CHICAGO	-11	13	3	Clear
COPENHAGEN	1	3	17	Clear
FRANKFURT	4	3	10	Cloudy
GENEVA	-2	3	9	Clear
HELSINKI	-14	7	-4	Clear
HONGKONG	18	22	22	Clear
JERUSALEM	16	21	22	Clear
LONDON	6	43	9	Cloudy
MADRID	3	27	18	Clear
MONTREAL	-17	1	13	Cloudy
NEW YORK	-4	26	1	Clear
OSLO	-6	21	25	Cloudy
PARIS	7	45	19	Cloudy
RIO DE JANEIRO	22	71	39	Clear
SAO PAULO	28	68	27	Clear
STOCKHOLM	-18	14	-2	Cloudy
TOKYO	5	41	10	Clear
TORONTO	-17	1	13	Cloudy
VIENNA	4	39	7	Clear
ZURICH	4	39	7	Clear

*For the latest weather conditions contact Swissair.

THE WEATHER

Forecast: Clear to partly cloudy.

	Yesterday's	Humidity	Min-Max	Today's
Jerusalem	57	6-11	13	13
Golan	72	5-12	14	14
Nahariya	71	4-10	11	11
Safed	71	10-18	19	19
Haifa Port	76	9-19	21	21
Tiberias	76	9-19	21	21
Nazareth	59	7-15	16	16
Afula	58	7-18	19	19
Shomron	66	6-14	16	16
Tel Aviv	61	10-18	19	19
B-G Airport	61	8-17	19	19
Jericho	71	9-20	22	22
Gaza	66	11-18	17	17
Beer-Sheva	75	9-16	19	19
Eilat	55	13-19	22	22

SOCIAL & PERSONAL

The Haifa Rotary Club will hold its weekly meeting in the Shemen factory at 1 p.m. today.

HOSTAGES

(Continued from Page One)

A list of the 400 Arab prisoners - including about 90 Palestinians and 310 Lebanese - to the International Committee of the Red Cross. Three Palestinians said to be on the list were sentenced three days ago here to life imprisonment for killing a man and wounding 69 people in a grenade attack outside the Old City's Dung Gate.

Despite hints of a possible deal, Israeli politicians said it would be hard for the government to carry out another swap after the public outcry over the last exchange in 1985, when Israel freed 1,150 Palestinians for three Israeli soldiers.

In Washington, U.S. Secretary of State George Shultz called kidnappers of Americans "animals" and said a way must be found to make them pay.

"We want to figure out a way to raise the cost to those animals," Shultz told the American Legion.

"There are various ways of doing that and I believe that, no, we shouldn't be running around using our capacity for force left and right."

Another terrorist group, the Revolutionary Justice Organization, which holds two Americans and one Frenchman, renewed its threat yesterday evening to mete out a "very cruel" retaliation if the U.S. launched a military attack to rescue the captives. It made the statement to a Western news agency in Beirut.

Inna Meiman, at 54

Inna Meiman, who was allowed to leave the Soviet Union last month for specialized radiation treatment of a neck tumour, died on Monday, three weeks after she was admitted to the Lombardi Cancer Research Centre of Georgetown University Hospital in Washington.

Meiman, 54, had declined to leave the Soviet Union earlier because her husband, Nahum, a refusenik since 1975, was not allowed to accompany her.

HOME NEWS

IDF troops used battlefield tactics in An-Najah clash

For a few hours on Monday afternoon, the area around An-Najah University in Nablus sounded like a battle zone. Shots rang out from various directions, reverberating on the hills surrounding the city as IDF troops and Border Police confronted about 200 university students who charged at them in groups, hurling stones. Seven students were wounded; four of them were shot in the legs.

While the Border Police limited themselves to shooting tear gas canisters and firing in the air, the IDF soldiers drove back the rioters with infantry tactics.

Relying chiefly on their rifles, the soldiers reacted in some ways as they would on a battlefield, without the skills and equipment of specially trained riot squads.

Instead of rushing the students en masse like riot police, equipped with shields and clubs, the soldiers fired salvoes into the air and used tear gas as cover for an advance while the students retreated. They then took cover behind buildings, walls and cars, emerging for short periods to open fire.

The commander of one group of soldiers moved out and fired single shots in the air, before firing at an angle over the heads of the students.

ANALYSIS

JOEL GREENBERG

He later raised his rifle to his shoulder and fired four or five shots directly at the crowd.

The commander of another group repeatedly aimed his rifle while another soldier fired in the air. The commander later raised his gun and fired at students who had charged him earlier, throwing stones.

As seen from the roof of a nearby building, the soldiers did not appear to be in an immediate life-threatening situation in which army orders permit firing at rioters. They wore helmets and stood behind walls or out of range of most of the stones thrown, while others easily dodged stones that landed near them.

Despite the widespread criticism caused by the December shooting of two student demonstrators at Bir Zeit University, the army relied heavily at An-Najah on live fire to disperse the crowd.

The improved non-lethal riot control equipment mentioned in recent statements by military officials has yet to be seen.

pi. Non-Margaret Thatcher prime minister

10, Downing Street London SW1

Vienna, December 18th, 1986

Dear Prime Minister,

At the end of this year I want to express my gratitude to you and your party for your collaboration in our working association of Christian-Democrat, conservative and other like-minded parties. I think that we have made progress also in the year 1986. Our Party Leaders' Conference in Vienna as well as our Parliamentary Conference in Berlin advanced our work and also our committee work has contributed to a greater coherence of our parties.

I should like to thank you and your party for your personal support and your cooperation in all the various bodies of our organisation. You know that the party organisation only takes cooperation in such an organisation seriously if the leadership does.

Let me now say some personal remarks: As you may know we have had elections on the 23rd of November 1986 and I did not have the success which we all wished to come about namely to see the Austrian People's Party as the strongest political party in Parliament. Although the Socialists lost passively (almost 4%, i.e. 16 mandates in the first Chamber of Parliament, the biggest loss a party has ever sustained in an election) we also lost 2% (4 seats less), so that the Socialists are still the strongest party; however, the difference between them and us is now only 30 000 votes. What is more important is that in any government which will now be formed, my party will have to play a decisive role and we can make sure that much of our policy along the principles we cherish within ECU will become reality. We are now in the midst of government negotiations with the Socialist Party and I will inform you as to their outcome.

In relation to my ECU chairmanship, I should like to say that I have been elected to this office until 1989 and I am prepared to continue to serve the organisation if the Steering Committee and the Party Leaders' Conference so wishes, in whatever function I shall be assigned either as the head of the opposition or as a member of the government.

Let me now conclude this Christmas letter with my warm personal wishes for you and your family as well as for your party: I wish you a Merry Christmas and a Happy New Year.

With warm regards,

Yours

[Signature]

The letter released by Alois Mock yesterday, which he says is the only letter he sent to Thatcher on December 18. It does not mention Waldheim. (AFP telephoto)

SHAMIR

(Continued from Page One)

expressed his own opinion in favour of an international conference. Likud ministers had then insisted that this attitude did not commit the government.

He, Shamir, had said that while Peres was entitled to put out feelers, he was also bound to tell his interlocutors that his was not the attitude of the government.

"I must say that it was a big surprise to me and my colleagues when we suddenly discovered that within the government of Israel there are those who view favourably a meeting that is so fraught with danger for Israeli positions."

It was left to Labour's Simha Dinitz to put his party's view: an international conference was not an end in itself, but a means to direct negotiations. Jordan found it difficult to enter into direct negotiations with Israel without some accompanying international forum.

The terms of reference of such an international meeting had been spelled out by Peres and endorsed by the Knesset. Were there to be a chance of success for the aims of such a conference, there surely would be a proposal to enter into some such meeting, Dinitz warned.

The divisions in the House were reflected, paradoxically, by the vote to refer the motion to committee. With the exception of Tebiya, all parties voted to continue the ideological discussion.

Druse IDF veterans back Arens's plan

By ELAINE FLETCHER and DAVID RUDGE
Jerusalem Post Reporters

Druse IDF veterans yesterday gave a ringing endorsement to Minister-without-Portfolio Moshe Arens's equal opportunity programme for their 65,000-strong community, and criticized a Druse MK's opposition to the initiative.

"We came to strengthen Arens's hand in his efforts. Anyone who wants to help the Druse community is to be blessed," said Kara A-Yoob, head of the Druse veterans organization, "One Border," at a press conference in Jerusalem.

The veterans' statement followed Sunday's endorsement of Arens's programme by Druse local council leaders.

Druse MK Amal Nasser a-Din, a supporter of Arens's Herut rival David Levy, has opposed the sweeping equal opportunity programme for the

Druse which is to be considered by the cabinet today.

Nasser a-Din has said that he doesn't object to the proposals *per se*, but to including the Druse "under the umbrella of Arab affairs," the office which Arens now heads. Other ministers, he said, including Levy, have also tabled plans to help the Druse achieve equal status with Jews regarding employment, education, tax benefits and local budget allocations.

Arens's proposals call for according development town status to Druse villages, and aligning their local council budgets with those of similarly sized Jewish communities.

The programme also attempts to give Druse veterans greater access to positions in the government, army, and security-linked industries.

Druse veterans yesterday said Nasser a-Din had politicized the issue.

They said their contact with Arens as defence

minister during the war in Lebanon had convinced them of his goodwill towards the Druse community.

Meanwhile, Dr. Hamed Sa'ab, chairman of the Druse local councils' executive committee, said the Druse welcomed Arens's proposals and hoped they would be approved by the government.

In a related development, the Israel Lands Authority recently agreed to offer 50 per cent discounts to Druse IDF veterans buying state residential building plots.

Housing shortages and unemployment rates of 10-15 per cent are two of the biggest problems facing the Druse, said the army veterans.

They said that 90 per cent of the construction in Druse communities is illegal because the government has not built in their villages since the 1960s.

Only one of the country's 18 Druse villages has any industry other than low-paying textile factories, they said.

Hundreds join Arabs in protest against forest on Sur Bahir farm land

By JOEL GREENBERG
Jerusalem Post Reporter

Hundreds of residents of the Jerusalem neighbourhoods of Talpiot, Armona and East Talpiot yesterday joined Arabs from the neighbouring village of Sur Bahir in a protest against the planting of Jewish National Fund pine trees on agricultural land cultivated by the villagers. Mayor Teddy Kollek participated in the demonstration.

Villagers carrying placards and their Jewish neighbours marched to a site overlooking Wadi Zeitun. A 300-dunam area in the wadi, previously cultivated by the village, has recently been planted with thousands of pine trees, and 100 young olive trees have been uprooted.

The area is part of a 2,200 dunam stretch expropriated from the village in 1970 for the construction of East Talpiot. The villagers lost a High Court appeal against the planting last year. The Israel Lands Adminis-

tration has argued that the planting is part of a planned green belt around East Talpiot, and that the area is state land.

The village mukhtar (leader) said the pine forest would deprive villagers of a livelihood provided by the olive groves and agricultural land. Another village spokesman said the forest would become a haven for drug dealers and criminal elements.

Spokesmen for the Jewish communities also condemned the plantings, and planted a symbolic olive tree.

Kollek pledged to help find a solution that would allow the villagers to continue cultivating their land. He welcomed the cooperation between the villagers and their Jewish neighbours.

The JNF recently proposed that the area in question be planted with olive trees which would be tended by the villagers. But the proposal was rejected by the Israel Lands Administration.

China offers Israel coal through third parties

By BERNARD JOSEPHS

Contacts between China and Israel over a possible coal deal are going on through third parties, Israeli sources said yesterday. They were responding to a report published in London that talks are under way over a trial shipment.

Ram Ron, director of the National Coal Supply Corporation, denied that such a shipment was on the cards. But he confirmed that Israel would be ready to consider a direct offer from Peking to sell coal for the Hadera power station.

"We have received some offers from traders who said they were acting on behalf of the Chinese government. But we are only interested in direct links. As yet there are no political relations between China and Israel and we have not achieved direct contact," Ron said.

The authoritative London-based Economist Intelligence Unit's quarterly energy review reported yesterday that the talks were going on for an initial shipment of 50,000 tons of Chinese coal to Israel.

The possibility of purchasing supplies from another Communist source, Poland, was also being considered, it added.

Sources here said that Israel had received some "interesting offers" from the Chinese through intermediaries. A serious offer would be seriously considered, but much depended on normal relations between the buyer and the seller.

The sources said that China was now one of the biggest coal producers in the world and was rapidly increasing its export trade. This year it would sell 10 million tons abroad.

Earlier indications that Israel might look towards China as a source of supply came in October, when Energy Minister Moshe Shahal had two meetings with Peking's deputy minister for coal while attending the International Energy Congress in Cannes.

Shahal said that the Chinese official had indicated that China was willing to do business and that his ministry would apply to China for information and technical data.

TELEVISION

(Continued from Page One)

\$15,000 on a lousy sports programme when we haven't got money to pay the grocery bill?" They shook their placards in the air, overturned ashtrays and created havoc.

IBA chairman Micha Yonon responded by saying, "We've read your placards and you've posed for the photographers. Now, please leave."

This produced a fresh flow of inventive. Porat and Yonon got up to leave and found their paths blocked. Both Yonon and management com-

mittee member Shaul Amur tried to reason with the technicians and asked them to name their representatives.

The presence in the room of Eli Ben-Tovim, the expert on labour relations from the State Attorney's Office, was one of the reasons why the technicians refused to appoint a delegation to speak on their behalf.

"We're afraid to say anything while he's around," said Eli Kiryati, one of the most prominent strike activists. "He'll take anything we say and use it in evidence against us."

Eban interview on Jordan TV

Post Knesset Correspondent

Abba Eban, the chairman of the Knesset Foreign Affairs and Defence Committee, gave an interview last night to the Hebrew-language programme of Jordan Television.

Eban was interviewed by Ziad Darwish of Acre, who has already interviewed three other MKs. As a result of the interview Gush Emunim lawyer Elyakim Ha'etzi has

submitted complaints to the police alleging contact with the enemy.

Eban said that Israel had not conceived the idea of the international conference as an end in itself, but was ready to go along with it, in order to solve the problem posed by the Arabs' insistence on the conference as the only acceptable medium. Israel was ready to help the Arabs out if they demanded a conference.

With deep sorrow, we announce the death of our father, grandfather and brother

Prof. TOUVIA ben Israel SALOMON

The funeral will take place on Thursday, February 12 (Shvat 13, 5747) at the Sanhedria Funeral Parlour, Jerusalem, at 1:00 p.m.

Jean, Liliane Salomon and Children
Leon, Anny Salomon and Children
Max, Rose Salomon and Children
Family and Friends

The staff of the Soviet Jewry Education and Information Centre and all allys activists in Israel share in the grief of

THE MEIMAN FAMILY

in Moscow on the passing of

INNA MEIMAN

on Monday, February 9, 1987.

How much more blood will be spilled until the Soviet Union allows the emigration of Jews who are in desperate need of medical attention?



King Carlos of Spain meets with Education Minister Yitzhak Navon in Madrid yesterday. Navon is the first Israeli minister to make an official visit since Spain and Israel established diplomatic relations more than a year ago. (Reuter telephoto)

Rafi Levy trial to centre on taped conversations

The prosecution in the Rafi Levy trial opened its case in the Jerusalem District Court yesterday by promising to base the charges against him on a series of conversations recorded by the police.

Levy, the former Jerusalem District Representative at the Interior Ministry, is charged with extortion, breach of trust, accepting bribes, illegal foreign currency transactions, and suborning witnesses.

Ten large parcels of tapes were brought to the court before yesterday's session, apparently to be used in evidence. The tapes record conversations between Levy and other parties, including Hanna Janko of Ramallah who has also been charged with bribery and illegal foreign currency transactions.

The defendant and Janko seem to have spoken to each other in code, the prosecution told the court. Only after all the tapes have been heard will a clear picture emerge of their deeds, the prosecution said.

The prosecution also revealed that Levy's secretary had kept a record of

the people to whom she issued passes to be used at the Jordan bridges. She did this under Levy's instructions. She also kept a record of the gifts Levy received in return.

Following the prosecution's opening remarks, the court was cleared and the witness known as "Clergyman A" was summoned to take the stand. The senior church official (whose name and affiliation have been barred from publication) had been waiting in the wings since the morning. His testimony took up the rest of the day's session.

Levy himself was brought to the court shortly before the session began. He shook hands with his wife and son and warmly embraced lawyer Yigal Arnon, who was present in the hall. (Idim)

Petrol station strike

Jerusalem Post Staff
TEL AVIV. - The owners of the country's 100 Sonol petrol stations have called a 24-hour strike starting at 6 a.m. tomorrow.

Nurses' warning strike weathered by hospitals

By JUDY SIEGEL

Post Science and Health Reporter

The 24-hour warning strike by the country's hospital nurses which closed most out-patient clinics and forced the postponement of elective surgery in many hospitals ended at 7 a.m. today without causing great suffering to ward patients, as departments ran on a Saturday schedule.

However, unless the government manages to head off a projected joint strike over wages and cutbacks in job slots by all doctors, nurses, maintenance workers and administrative staffers next week, the hospital system will be in chaos. The nurses applied sanctions because they claimed the government has not fully implemented the accord, signed with them three

months ago, that brought to an end a long strike.

Both the Treasury and Health Ministry conceded that the underlying reason for yesterday's sanctions was the nurses' concern about the Treasury's order to the Health Ministry, to dismiss 573 of 20,000 workers.

The Health and Finance Ministries were due to sign a joint statement last night stating that they would abide by all commitments in the accord signed with the nurses and specifying that top officials from each ministry would meet to find a solution to the job-slot problem.

But the signing was delayed because of a disagreement over wording.

With very deep sorrow, we announce the passing of our partner and friend

ZEEV THEODOR KATZ

We share the family's grief.

Management and Staff
Palex Tours

THE HEBREW UNIVERSITY OF JERUSALEM

pays tribute to the memory of

Dr. SIEGFRIED HABER

on the sixteenth anniversary of his passing.

GIVE US A HAND

The Hanukkah Toy Fund is so much more than its name suggests. Now that the holiday is over, we turn our attention to the numerous special projects for Israel's underprivileged children. Please, be generous. And let us care for our little ones.

Day care centres for the elderly give our less fortunate senior citizens a place to spend the day, to be creative, productive, together.

Your contributions go a long way to keeping them warm and happy.

Help us help them: give generously to the Forsake Me Not Fund.

Contributions can be mailed directly to The Jerusalem Post, P.O.B. 81, Jerusalem 91002. All funds are allocated in accordance with the recommendations of the Ministry of Labour and Social Affairs.

Each prisoner initiated his pardon

Moscow frees 140 dissidents

MOSCOW — The government has freed about 140 people sentenced for anti-Soviet activity and is reviewing 80 equal number of other cases to leave "fewer people behind bars and behind barbed wire," an official said yesterday.

Foreign Ministry spokesman Gennady Gerasimov announced during a news briefing that prisoners' appeals for clemency are being reviewed, and that government committees are also considering a "certain softening" of the criminal code.

Gerasimov said the Supreme Soviet, the national parliament, freed about 140 prisoners in two groups, on February 2 and on Monday.

"As you probably know, the Soviet Union has been re-examining a number of cases, especially cases related to sentences on (article 70) of the Soviet criminal code, concerning anti-Soviet propaganda," Gerasimov said.

Last weekend, dissident Andrei Sakharov reported that 42 political

prisoners had been freed from exile, labour camp or prison.

Gerasimov said the releases were initiated by each prisoner's application for pardon.

"When an individual draws the government's attention to his or her case and promises to stop the behaviour considered anti-Soviet propaganda, then this is being considered and as a rule his or her request is being granted," Gerasimov said.

Some of those released said they had not been required to sign any statements or make any promises about their future activities. But others said they were required to sign vague assurances they would not pursue activities harmful to the state.

Asked about the prospects for freedom for prominent dissidents who are still imprisoned, such as Jewish activist Yosef Begun, Gerasimov replied that "Begun did not apply and therefore is not on the list."

He was also asked about Anatoly Koryagin, a psychiatrist who was sentenced in 1981 for anti-Soviet agitation and propaganda after denouncing the government's use of mental hospitals to detain dissidents.

Gerasimov said only that "he is not yet on the list" of those granted clemency.

Told of Gerasimov's announcement, Yelena Bonner, wife of dissident physicist Andrei Sakharov, said: "I am very happy and I am waiting for the day when all these 140 people are home with their families."

Meanwhile, militiamen and plainclothes security police yesterday prevented the wife and son of Begun from leaving their apartments to demonstrate for his release.

Inna Begun, wife of the Hebrew teacher imprisoned on charges of anti-Soviet agitation and propaganda, said six policemen were barring her apartment door and others were near the entrance to the building.

"Boris and his family are also

blocked," she said, referring to Begun's son.

The Beguns and several other people who have been denied permission to emigrate to Israel protested for 90 minutes Monday on the Old Arbat pedestrian mall.

Mrs. Begun said she and the others would gather at the mall each day until her husband is freed. Begun has been imprisoned since 1983.

In another development, Inna Meiman, a Soviet dissident who was forced to leave her family in Moscow to undergo cancer treatment in the U.S. died Monday, according to family members and associates.

Mrs. Meiman, 54, arrived in the U.S. last month in anguish over leaving her husband, Naum Meiman, 75, behind.

Officials of the National Conference on Soviet Jewry, which had undertaken arrangements for her trip and treatment, said in New York that she had died at Georgetown University Hospital in Washington.



Police commandos stand ready at the entrance to the Marseille bank where gunmen held 17 people hostage Monday before escaping with their loot. (AFP telephoto)

Police 'suckered' by gang

French 'sewer rats' rob bank, escape

MARSEILLE, France (Reuters). — France's best-known policeman, Robert Broussard, licked his wounds yesterday after being fooled by a daring gang of bank robbers who vanished down a tunnel after a day spent rifling hundreds of safe deposit boxes.

There was no trace of the gang, whose meticulous planning and cool nerves allowed them to escape with their booty — still to be estimated — under the noses of hundreds of heavily armed police.

The gang arrived and left through a carpeted tunnel they dug from the city sewers into the bank vault.

In this tough Mediterranean port, police and residents compared Monday's raid with gangster Albert Spaggiari's legendary "sewer rats" operation 10 years ago.

Spaggiari, who was arrested but escaped and was sentenced to life imprisonment in his absence, tunneled with his gang into the vaults of the Societe Generale Bank in Nice in July 1976.

He disappeared after spending a weekend removing 50 million francs worth of money and valuables from safe deposit boxes.

The raid on the Marseilles Savings Bank in the Avenue Foch began at 8 a.m. when the seven gangsters overpowered a guard and took hostage 10 staff and 13 customers.

Hundreds of police surrounded the building, crouching on rooftops and behind parked cars, but the gang kept them at bay with warning shots.

In the afternoon, Prefect Broussard arrived from Paris to take charge of operations with Commissioner Ange Mancini, head of the elite police sharpshooter unit known as Raid.

It was Broussard whose anti-gang brigade shot France's public enemy number one, Jacques Mesrine, in a hail of bullets on the Paris ring road in November 1979.

Broussard, whose distinguished career has included two years at the head of the police in Corsica and who has successfully negotiated the surrender of dozens of armed criminals, appealed to the bank raiders to give up.

"You're wasting your time. We want 30 million and two cars," the gang replied. But the demand was a trick — the gang had their underground escape route all ready.

At 7:30 p.m. the stalemate ended when a bank employee ran out to tell police: "They've gone. You can come in."

The 23 hostages were safe but Broussard, pale with rage, emerged to admit: "They've vanished. We've been suckered."

A woman hostage later described how shortly before 7 p.m. the gangsters told their prisoners they would soon be free. Before entering the tunnel, the gangsters ordered the hostages to continue banging on the vault to fool police into thinking they were still at work.

Broussard told reporters what he found: "They had dug a tunnel 50 metres long. They put in supports and covered the floor with carpets. They installed telephones and had lots of equipment and pneumatic drills. It must have been several weeks of work."

Police who scoured the sewers for traces of the gang said they had found sophisticated digging equipment and a pump for an inflatable rubber boat — a possible key to how they escaped.

Investigators said it would take about 10 days to consult bank clients and establish the value of what was taken.

The Savings Bank branch was due to close last December but its move was postponed after new premises were damaged by a bomb, now believed by police to have been deliberately planted.

Scarlett and Rhett to get second wind

NEW YORK (Reuters). — Scarlett raised her chin. She knew she could get Rhett back. But she would think about it tomorrow. "After all, tomorrow is another day."

So ended *Gone With the Wind*, the passionate novel of the American South and the Civil War whose late author Margaret Mitchell had said there would never be a sequel.

Now, 51 years later, tomorrow is at hand. The William Morris Literary Agency in New York is selecting an author to write an authorized sequel, and a *Gone With the Wind II* to follow one of the most popular films of all times is a foregone conclusion.

"It's going to be a tough, tough assignment," said Atlanta attorney T. Hal Clarke, a member of the three-man committee which guards Mitchell's copyright and was authorized by Mitchell's late brother Stephens Mitchell to pursue a sequel.

"Who knows whether a similar chord will be struck by the treatment this new author gives it. Most of us feel it will be highly popular, but whether it will measure up to the original, is a question mark," Clarke said.

Published in 1936, Margaret Mitchell's chronicle of love and war's ravages on the South has sold 25 million copies in 27 languages. A 50th anniversary edition published last year sold out 60,000 hardback copies. Mitchell's only novel took 10 years to complete.

Khomeini: War until victory

NICOSIA, Cyprus (AP). — Ayatollah Khomeini, speaking publicly for the first time in more than 12 weeks, declared yesterday that Iran demanded "war until victory" against Iraq in the 6-year-old Gulf War.

The speech by the 86-year-old patriarch, delivered on the eve of the eighth anniversary of the Islamic revolution that toppled Shah Mohammed Reza Pahlavi, followed rumours he was in declining health.

Khomeini spoke in a strong and steady voice during the 17-minute address, which was broadcast by Tehran Radio and reported by the official Islamic Republic News Agency, monitored in Nicosia.

He said Iran was battling for a "divine cause" in the war against Iraq. But he added that his country's people had experienced "bitter moments because of our spiritual condition."

"Families and children are now being killed and this is hard for us

and brings pressure to bear," he said in the speech at a mosque near his home in the north Tehran suburb of Jamaran.

Iraq and Iran have been pounding each other's cities with air raids and artillery in the so-called "war of the cities" in which thousands of civilians have been killed and wounded.

"Almost every day Iran is hit and many children, youngsters, old men and ordinary people see their homes fall in on them," Khomeini said.

"But as soon as they clamber from the rubble, they speak of the need for us to make war until victory."

The government planned mass rallies today throughout Iran to commemorate the anniversary of February 11, 1979, when the shah's parliament was dissolved.

Khomeini had returned from exile in triumph less than two weeks before, and an Islamic Republic was established April 1 of that year following a nationwide referendum.

Yesterday's speech was the first time Khomeini had made a public address since November 20, when he condemned Iranian officials who wanted contacts with the U.S.

Sunday, there was speculation on Khomeini's health when the Iranian leader sat silently as President Ali Khamenei read a speech on his behalf.

In Baghdad, meanwhile, Information Minister Latif Jassem said Iran has failed in its long-promised "final offensive," despite capturing what he calls unimportant areas east of Basra in a month-long push.

Jassem said the January 9 assault towards the southern Iraqi port of Basra "is the same offensive the Iranians have been promising for more than a year."

U.S. officials have said that as many as 200,000 Iranians took part in the offensive. The Iranians, mainly Revolutionary Guards, captured a small chunk of Iraqi territory.

Philippine army, rebels clash; 14 die

MANILA (Reuters). — Fourteen people died yesterday in a gunbattle 100 kms. from Manila, which was the first major fighting involving troops and Communist rebels since a 60 day ceasefire ended last Sunday.

The fighting broke out as President Corason Aquino met disgruntled military officers in a clear-the-air session marked by her giving the officers a telephone number on which to call her if they were dissatisfied.

Military reports said 11 rebels of the Communist New People's Army (NPA), an army lieutenant, and two civilians died in the shootout.

In Manila, Aquino moved to gain full military support for her year-old government by meeting disgruntled officers.

A presidential spokesman said the group of 20 colonels and majors, representing all three services, pledged their loyalty to Aquino and vowed to help her stop a Communist takeover of the country.

2,326 dead in South Africa political violence since 1984

JOHANNESBURG (AP). — At least 2,326 people died in political violence from September 1984 to the end of last year, an independent monitoring group reported yesterday.

The South African Institute for Race Relations figures corresponded in several respects to recent government reports on deaths and violence linked to unrest.

For instance, the institute said available data indicated that fatalities had continued to decline sharply since the middle of 1986, when the latest state of emergency was imposed. It also said that conflict with black communities accounted for about half of the 1,298 fatalities in 1986, while deaths at the hands of security forces accounted for about one-third.

"The remainder occurred in other types of violence, including insurrection incidents, or were in circumstances that were not clear," the institute report said.

The figures begin in September 1984, when protests broke out in black townships south of Johannesburg over rent increases.

The violence spread throughout most of the country and has continued, despite the imposition of two states of emergency. The first, lasting seven months, ended last March. The government said an immediate increase in violence prompted the second state of emergency, which was imposed last June 12.

Kidnapping may lurk behind any street corner in Lebanon

By COLIN SMITH
BEIRUT. — Rudolph Paul Ikevitch is the foreign press attache for the National Liberal Party, which is run by the Chamoun family and is neither national nor liberal. The Chamouns are Maronite Christians whose patriarch is the 87-year-old former Lebanese president Camille Chamoun, although his son Dany, who was educated in England, now runs the party.

Ikevitch is a well-known figure in Beirut. His father was Yugoslav and his mother Italian but he was brought up in Lebanon, and French and Arabic are his first languages. He is a large, affable, balding Levantine who likes his food and drink and talks an idiomatic American English, usually like a marine corps drill sergeant.

Despite his unabashed commitment to the side of the Christian militias of East Beirut, Rudi, as he is known, has become one of those rare people whom one side or another has found useful as a go-between.

His most distinguished appearance was in 1980 when he arranged for the exchange in Cyprus of an Israeli woman agent who had spent 11 years in a PLO dungeon, for two senior PLO men arrested on the West Bank.

Then, in the summer of 1985, it was Rudi's turn. He had crossed the Green Line to accompany a Christian friend to Moslem West Beirut.

They were picked up near an apartment block called Moor Tower, a well-known sniping post on the western side and then occupied by Shi'ite militia men, whose true sympathies apparently lay with Hizbullah, the Iranian-financed "party of God" whose followers are thought responsible for the kidnapping of most of the foreign hostages in Lebanon.

This is Rudi's story, expletives deleted, of what happened: "They picked us up in this green

Mercedes with red velvet curtains on the back window. It was the same car they had used to kidnap Terry Anderson (the kidnapped AP reporter). I was blindfolded and they took us down to this basement. About six or eight of them stood around me in a circle and started beating me. They stubbed cigarettes out on my face, in my ears, near my eyes. On my hands. God, I was screaming. There was nothing I could do. Look, I'm getting goose pimples telling you."

We were having lunch at a seaside restaurant owned by a fishing family: fresh Sultan Ibrahim fish, and the best Lebanese white wine. Below, we could see their shrimp boats prowling the coast. It would be hard to imagine anything more civilized.

Rudi was separated from his friend and locked in a filthy underground cell with a Lebanese soldier who had already been there six months. There were no sanitary facilities.

"They gave me one bottle of tap water a day for drinking and washing. One bottle. This was in July remember."

He was held there for nine days and thinks he was released through contacts the Chamouns had with the Syrians who were able to exert some pressure.

As soon as a few weeks after his release Rudi already found himself negotiating for the release of the Christian Lebanese driver and cameraman of an American TV network who had been kidnapped by a Shi'ite family trying to get money back from a crooked lawyer on the Christian side.

While the fate of the foreign hostages continues to attract worldwide attention, it is not often realized that there are literally thousands of people missing in Lebanon.

Hostage-taking, on all sides, has become endemic here, and with the collapse of the Lebanese pound are occurring even more frequently... for purely mercenary reasons. (London Observer Service)

Arafat threatens to recapture Lebanese village

RABAT (Reuters). — Palestinian fighters will have to retake the south Lebanese village of Maghdousheh, east of Sidon, unless an agreement to lift the blockade of Palestinian refugee camps is honoured, Yasser Arafat said.

The PLO leader was speaking in Algiers in an interview with Tangier-based Radio Mediterranee.

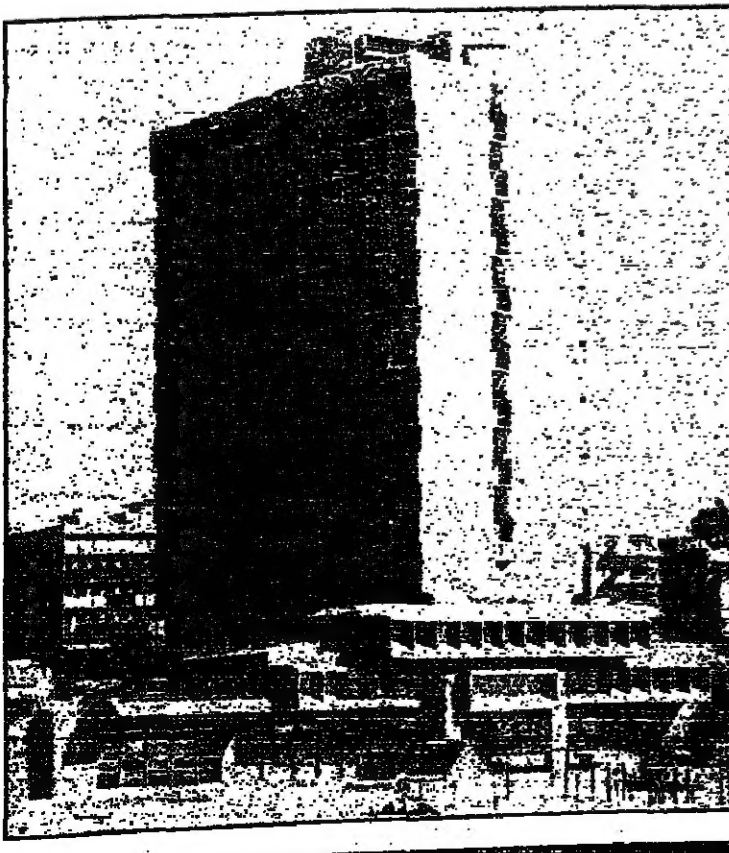
Palestinian fighters withdrew from the hilltop village earlier this month under an agreement providing for a cease-fire and an end to the camps blockade. But Shi'ite Amal militiamen are still besieging the camps, where thousands of Palestinians reportedly are close to starvation.

THEY TAKE PLEASURE IN PLEASEING

The Moriah Plaza, Tel Aviv • The Moriah, Jerusalem • The Ramada Renaissance Hotel, Jerusalem • The Aviya Sonesta Beach Hotel, Eilat • The Ramada Continental Hotel, Tel Aviv • The Carlton Hotel, Tel Aviv • The Yamit Tower, Tel Aviv • The Moriah Hotel, Eilat

They know just what their guests appreciate in the morning. They give complimentary copies of

The Jerusalem Post.



The Ramada Continental Hotel, Tel Aviv

IN BRIEF

60 Uzis recovered

EDE, Netherlands (AP). — Dutch military police have recovered 60 Uzi submachine guns and arrested four suspects in the largest military arms theft in recent Dutch history, a public prosecutor here said yesterday.

Two of the Israeli-made weapons and three Browning automatic pistols were still missing, according to Prosecutor Arnout Besier, who added that the stolen arms were found during police raids Monday and yesterday at five different locations in the port city of Rotterdam.

Tornado deal signed

RIYADH (AP). — British Defence Secretary George Younger and Prince Sultan, his Saudi Arabian counterpart, signed an agreement yesterday to provide training and support for Tornado fighters and other aircraft the kingdom has bought under a \$7.5 billion deal. Younger told reporters that he had agreed to offset part of the value of the deal in joint projects in Saudi Arabia.

'Terrorism pays'

LOS ANGELES (AP). — West Beirut has become a gold mine for terrorists because the U.S. traded arms for hostages and showed that "terrorism pays," the Lebanese ambassador to the U.S. says. Ambassador Abdallah Bouhabib said U.S. foreign policy in the Middle East failed because it reacted only to terrorist attacks rather than by attempting to help solve the wider problems of the region such as the fighting between Israel and the Palestinians.

Bouhabib told about 100 Arab-Americans at the University of Southern California on Monday: "Hostages are taken because terrorism pays."

Mandela raided

JOHANNESBURG (AP). — Winnie Mandela, wife of imprisoned African National Congress leader Nelson Mandela, said yesterday that police raided her house seven times last Friday, climbing over garden walls and searching rooms.

A spokesman at police headquarters in Pretoria, Capt. Reg Crewe, said: "We did visit Mrs. Mandela's home on Friday in connection with a routine police investigation. It is, however, vehemently denied that we visited the house seven times."

He would not say how many times police visited the house that day or what was being investigated.

Brothers to prison

SAN DIEGO (AP). — Two brothers convicted in a multimillion-dollar scheme to smuggle stolen U.S. Navy jet parts to Iran have been sentenced to long prison terms and fined \$100,000.

Franklin Agustin, 48, was sentenced Monday to 13 years in prison and his brother, Edgardo, 46, was given 18 years by U.S. District Judge Leland Nielsen.

Federal prosecutors said the brothers masterminded a theft ring that stole at least \$10 million in parts for F-14 jets and sold them to Iran in violation of a 1979 executive order banning military sales to the gulf nation.

Greece faces strikes

ATHENS (Reuters). — The socialist government of Prime Minister Andreas Papandreu, battling to maintain an unpopular wages policy, faces a week of strikes throughout Greece beginning tomorrow.

The stoppages have been called by trade unions which brought Greece to a standstill with a 24-hour general strike last month in protest at government austerity measures including a virtual pay freeze.

AND THEN THERE WAS LIGHT...

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Romanian war criminal dies in exile in Portugal

Trifa stayed a step ahead of justice

By ERNIE MEYER

Jerusalem Post Reporter

Valerian Trifa, the former archbishop of the Romanian Orthodox Episcopate in the U.S. — and a wanted war criminal — died recently in exile in Portugal at the age of 72.

With the trial of another alleged war criminal, John Demjanjuk, scheduled to open here next week, the history of the Trifa case acquires special interest. Both Trifa and Demjanjuk were deprived of their U.S. citizenship following protracted legal battles. In 1953, Israel's Justice Ministry demurred when the U.S. suggested that Trifa be extradited to stand trial here.

Trifa was the leader of the Legion of the Archangel Michael, the youth wing of the Romanian Iron Guard fascists at the beginning of World War II. His violently anti-Semitic speeches were held largely responsible for the Bucharest pogrom in January 1941, in which about 200 Jews were killed; their bodies were left hanging from hooks in an abattoir and labelled "kosher meat."

Following an internal power struggle in Romania, Trifa fled later that year to Germany, where he was placed under the protection of the SS. For some time he was an honored house-guest at the Dachau concentration camp, a fact that allowed him subsequently to claim that he had been "persecuted" by the Germans during the war remain a matter of speculation.

In 1950 Trifa went to the U.S. via Italy and seven years later became a



Valerian Trifa. (UPI)

citizen. On his visa application he did not mention his war-time activities. The Romanian government had tried him in absentia after the war and condemned him to death for having rebelled against the Antonescu regime. But as time passed, the Romanians ceased to be anxious to have him back. Trifa had meanwhile become the head of the small Romanian Orthodox Episcopate in the U.S. (about 35,000 members), and the Romanian authorities were not eager to antagonize that particular branch of the Church. Nor were they interested in highlighting the chapter of their past that Trifa

represented.

The 25-year campaign in the U.S. to have Trifa denaturalized and deported was led by a Jewish dentist from New York, Charles Kremer, who had witnessed the 1941 pogrom. Legal proceedings finally began in 1973. By 1980 the Office of Special Investigations (OSI) of the U.S. Justice Department went to court to strip Trifa of his citizenship — but he anticipated the court decision and relinquished it voluntarily. Three years later he acted similarly, by agreeing to leave the country before a decision to deport him could be reached.

Germany, Italy and Switzerland refused to offer him shelter, according to Efraim Zuroff, the director of the Jerusalem office of the Simon Wiesenthal Centre, who represented the OSI here during that period. "It was then that the U.S. approached Israel about accepting him," Zuroff said.

The reasons for this may have been largely technical, he explained. There was no evidence that he personally had committed murder, although the incident he was accused of was indictable. Also, under Israeli law no alleged war criminal can be prosecuted here unless the crime was committed at a time when his country was at war with the Allies; in January 1941, Romania was still neutral and had not yet joined the Axis powers.

Israeli legal authorities were also concerned that if Trifa were imprisoned here, he would eventually be released and enjoy freedom in this

country — hardly a palatable prospect.

Thus in 1983, just as the U.S. was getting ready to push through his deportation to Romania, Trifa preempted the move and got Portugal to offer him sanctuary. And that is where his career has now come to an end.

The end may be near for another U.S. deportee, Yugoslavia's most notorious convicted war criminal, 87-year-old Andrija Artukovic.

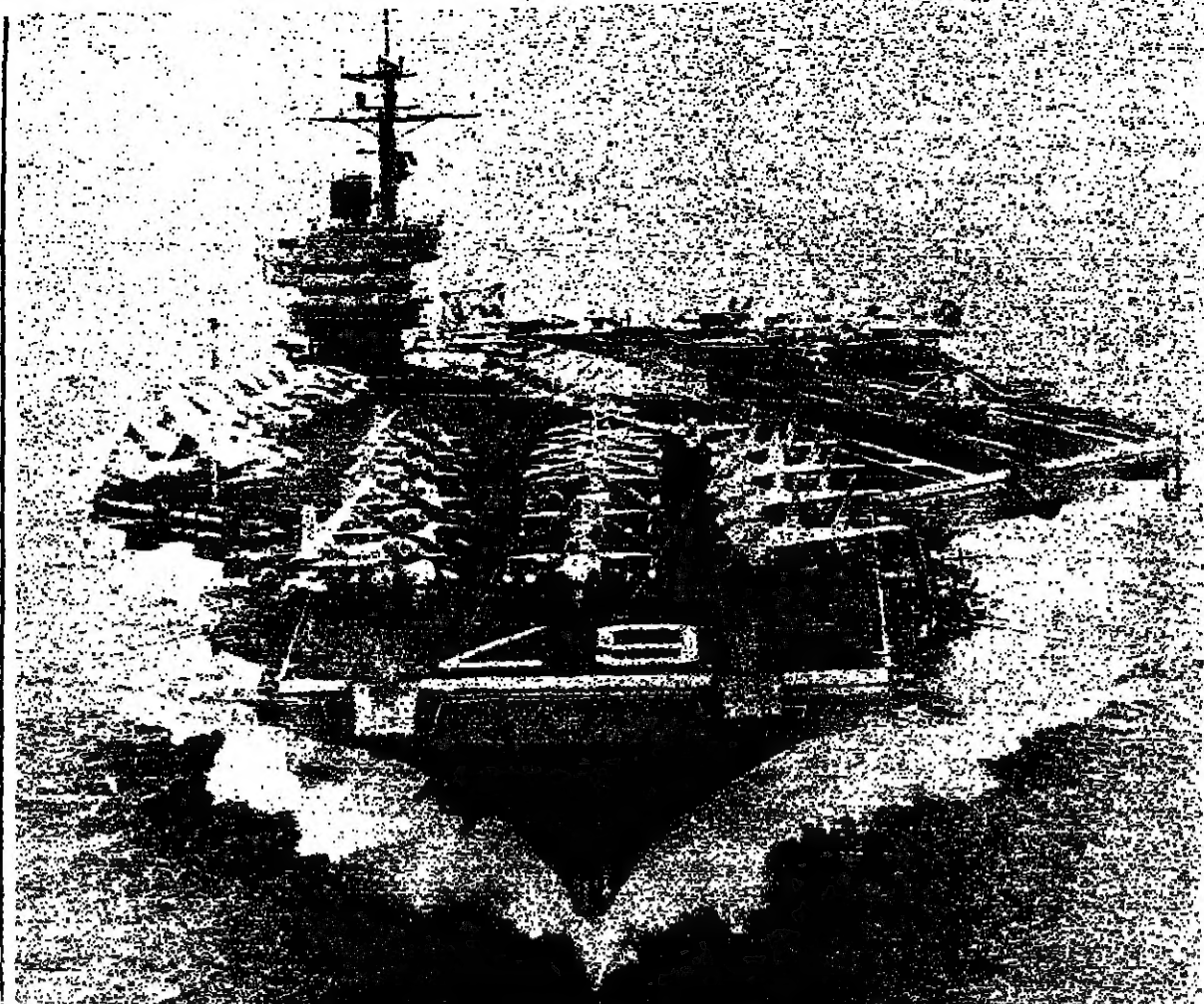
Nicknamed the Butcher of the Balkans, Artukovic was interior minister of the Nazi puppet state of Croatia between 1941 and 1945. He was sentenced to death on three charges of mass murder and one of individual murder.

The war-time Croatian regime, the "Ustasbas," sent some 900,000 Serbs, Jews (about 80,000) and Gypsies to their death at a string of concentration camps.

After the war Artukovic went to the U.S., where he married and raised five children. He was extradited to Yugoslavia last year.

In May he was sentenced to death for his war crimes. But the Yugoslavian authorities are in a dilemma — whatever they do they stand to cause outrage: either for commuting his sentence, or for executing an infirm old man.

Artukovic suffers from general arterial sclerosis and is practically deaf and blind. He has lost all sense of time and place, claiming that he is Pope Pius XI and that he has converted 300 million Russians to Catholicism.



The flight deck of the 82,000-ton American aircraft carrier USS John F. Kennedy, which arrived in Haifa on Friday for a week-long visit after being stationed off the Lebanese coast.

Homesickness is main concern among the crew of 'Big John'

By DORON PELY

For The Jerusalem Post

Weighing in at just above 82,000 tons, and carrying 90 aircraft, USS John F. Kennedy is justifiably referred to by its crews as "Big John."

If placed upright, "Big John" would be taller than the Empire State Building. Crewmen cycle across its 350 metres of flight decks, and off-duty sailors in training suits use the runways for jogging and other physical exercise.

Despite the tension surrounding the arrival of the American naval task force in the eastern Mediterranean, everything appears calm on board. Some 5,000 seamen, airmen and Marines swarm around the ship's eight decks, repairing, washing and painting airplanes, while shore parties venture into downtown Haifa to see the sights and seek entertainment.

The carrier is a floating city. Its kitchens serve 20,000 meals a day; off-duty personnel can unwind in the spacious movie theatre or watch closed-circuit television programmes. The sick bay is a fully equipped 84-bed hospital, and a barber shop and uniform shop are open 24 hours a day. Five retail stores do brisk business — the ship's monthly payroll comes to \$2 million. And, of course,

there's a fast food outlet in case the boys want a cheeseburger and fries.

But life on board an aircraft carrier is not all fun and games. Work shifts stretch 12 hours. Quarters and crowded privacy is merely a word. Fist fights occur occasionally, and a special security patrol is charged with defusing tension.

After seven months at sea, most of the sailors are homesick. A Marine corporal, one of the detachment of 40 infantry soldiers on board, hasn't yet seen his two-month-old daughter. This has been a long tour, and the tension in Lebanon is prolonging it even more.

An aircraft carrier is the heart of a naval task force comprising guided-missile cruisers, destroyers, attack submarines and supply ships. The entire flotilla is charged with supporting the carrier and ensuring its safety as it brings to bear a formidable display of potential air power.

High above the ship's deck, from a command centre that looks like a cross between an airport control tower and an old-fashioned bridge, the captain has control over events on board and in the air. The ship is steered by a traditional wooden spoke-wheel, but a powerful hydraulic system coaxes the twin 24-ton rudders.

Four different navigation systems, using a special satellite network, pinpoint the ship's exact location at sea. "But we still use a sextant and the stars regularly, because nobody can mess around with the stars, whereas satellites can be tampered with or destroyed," said one officer.

The carrier can launch jet fighters, interceptors, "F-4" planes, submarine surveillance helicopters and bombers at an average rate of one every 30 seconds. Since the flight deck is too short for regular take-offs, a steam catapult "shoots" the aircraft into the air, accelerating them from zero to 270 km-per-hour in 1.5 seconds.

The Kennedy's arsenal consists of more than 1,000 tons of high explosives in bombs, missiles and rockets. Special elevators carry munitions and aircraft from the ship's cavernous belly up to the flight deck. Part of this inner space can be converted into a basketball arena, complete with an electronic scoreboard.

Crewmen refuse to talk about the possibility of participating in military operations against the kidnappers of American citizens in Lebanon. It appears that the only reason they yearn for is a trip back home to Norfolk, Virginia.

The literary cafe-sitting game

There's as much politics as poetry at a literary night in a new cafe-gallery on Bograshov.

Ostensibly, the gathering is to celebrate the 10th anniversary of a literary magazine become so heavy in its aspirations — or pretensions — that some members of the audience, drifting in before the show, left a copy of the latest issue before flipping it open to see where their stories or poems were printed among the 500 or more pages.

The audience is made up of three kinds of people. There are those with something in the magazine. There are those who want to be around those with something in the magazine. And there are those who hope one day to have something in the magazine. Almost 100 people gather in the cafe-gallery, and all are conversant in the ways of cafe-sitting, which is the Knesset dining room has long provided, is an art form all its own, for politicians as well as poets.

Two rival editors, sitting at different tables, watch a third, who is the "owner," as Hebrew says, of the celebration, i.e., the 10th anniversary of this magazine.

He is at the bar, ordering another screwdriver. He wears a sweater under his tweed sports jacket, and the combination of alcohol and the sweater and the heat generated by

the unexpectedly large crowd makes his forehead sweaty. He anyway has a tendency to slick down his hair, and his posture is over-erect, like a Polish cavalry officer facing down a German invasion; so altogether he resembles a self-conscious drunk, working hard to prove to a police officer that he can walk straight.

Of course, he isn't exactly drunk. Others have reserved that role for later in the night.



Robert Rosenberg

The politics of these affairs is the sly and subtle comments made about others sitting at other tables. It's in the delicate matter of who sits next to whom, both in the cafe and later, on the folding chairs in the wall-to-wall carpeted exhibit hall where large paintings of rough brows and hand-lettered messages have been done on plywood.

The politics is in the matter of who comes late, who sits on the steps between cafe and hall, who prefers the muffled speaker sounds to the acoustics of the warmer-by-the-minute room where the poets read.

Often they drone rather than read, as if believing that before words can uttered, they must be neutered so that the audience can have the pleasure of picking its own connotations for each enunciated syllable.

The politics is in the matter of who will be first to read and who will be first to leave, who will make an "accidental" scene in the process of leaving early, and who will seem so loftily involved as not to notice the scene. A toppled chair, a spilt drink — these can be the incidents that generate the great literary debates of the coming year, in a city where everybody knows everybody, and the mysteries of significance are exclusive preserves.

Of course there are arguments with more intellectual content, more historic concerns. But in a city with half a dozen literary magazines competing for only about 3,000 readers — most of whom read all the magazines — the quality of debate depends as much on gossip as on grammar. Biography and criticism, despite all claims to the contrary, become interwoven in the self-satisfaction of self-importance.

All this takes place one night in the new cafe-gallery on Bograshov. In the daytime, between-movie actors make their own everybody-knows-everybody scenes at Leon's cafe across the street.

Wolf Prize in Chemistry

Two British scientists will share the 1987 Wolf Prize in Chemistry, Education Minister Yitzhak Navon announced yesterday on behalf of the Wolf Foundation.

The \$100,000 award will be made to Sir David Phillips, professor of molecular biophysics at Oxford University, and Prof. David Blow of the Imperial College of Science and Technology, London, "for their contributions to protein X-ray crystallography and to the elucidation of



Sir David Phillips (above) and Prof. David Blow



structures of enzymes and their mechanism of action." Phillips is on the Board of Governors of the Weizmann Institute.

The two biochemists were cited for their use of improved methods of X-ray crystallography, which has led to the determination of the exact three-dimensional structure of enzymes — the catalysts of life processes that regulate all biological activities in the living organism.

Phillips and Blow will receive the prize from President Herzog at the Knesset on May 31.

Lung cancer said increasing in Israel

By LEA LEVAVI

TEL AVIV. — Lung cancer and cancers of the large intestine and kidneys have been increasing in Israel over the past five years. Dr. Samario Chaitchik, head of Ichilov Hospital's oncology department said Monday at a press conference to announce the opening of the department's new radiation centre.

He reported further that during 1986 breast cancer was diagnosed in 1,300 women countrywide, 218 of them from Tel Aviv.

The centre will be equipped with a linear accelerator and other sophisticated equipment worth \$1.5m., which came from private donations, the Israel Cancer Society and Reka (Rishonei Kupat Am, a philanthropic fund established by the founders of the now defunct Kupat Am Bank).

The government's help is very limited and research on treatment developments would be impossible without the public's help," Chaitchik said.

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The Iraq-Iran war

Superpower anxiety

THE UNITED STATES and the Soviet Union agree on one thing: neither of them wants to see the Iraqi city of Basra fall into the hands of the Iranian forces now attacking it. Western diplomats and analysts say.

The latest Iranian advance on Basra, in Southeast Iraq, has reawakened old anxieties for the superpowers which for years have watched with relative indifference as the Gulf War ground on in a bloody stalemate.

The main problem, one that has been taking shape since Iran gradually began to turn the struggle to its favour around 1982, is how to stop a decisive Iranian victory without alienating Teheran, Middle East experts said.

Most, though not all, analysts still believe Iran cannot win the war outright. Iraq's defences are too strong and its financial backing from the Gulf Arab states too firm, they say.

U.S. officials with access to satellite photographs say Basra is not in imminent danger. But they concede that the city's inhabitants have been fleeing, and the United States has expressed concern over the stability of the region.

Basra, Iraq's second city, would if captured be the biggest prize won by either side since the war started with an Iraqi invasion of Iran in September 1980.

Neither Washington nor Moscow wants to see Iraq overrun. For the United States, Iranian ascendancy in the oil-producing Gulf area would be a strategic nightmare.

The Soviet Union also wants stability in the region, Western diplomats say, and would be deeply humiliated by the defeat of an army

Patrick Worsnip
London

which has relied mainly on Soviet weaponry against Iran's American arsenal inherited from the days of the shah.

But both superpowers also recognize the strategic importance of Iran, with its long border with the Soviet Union.

It was a desire to improve relations with moderate elements in the Islamic fundamentalist regime of Ayatollah Khomeini that led Washington into its ill-fated policy of supplying Teheran with military spare parts.

THE AMERICANS and Russians have both professed a policy of neutrality, but there the similarity ends, analysts say.

"It's a superficial neutrality," says Shahram Chubin of the Institute of International Studies in Geneva. "Underneath there's competition to cultivate Iran."

"The geopolitical rivalry of the superpowers means that any common position is ruled out. The question for them is: which of them's going to be in the better position when the war ends?"

Fears in the United States and Soviet Union that the other could cash in on the outcome of the war lie behind suggestions from both sides that the rival superpower may be threatening the area militarily, neutral analysts said.

In fact, diplomats see little or no chance that either Moscow or Washington would send troops to the Gulf as a result of advances by Iran or Iraq.

Soviet concerns were expressed in a statement issued on January 8, the day before the Iranian offensive started, which charged that the United States was stirring up the Gulf conflict in order "to dictate its will to the peoples of the region."

Some Western commentators said the statement betrayed a Soviet shift towards Iraq by saying there was no reason why the war should not end quickly, despite Teheran's assertions that it will go on fighting until its war aims have been achieved.

These include the ouster of Iraqi President Saddam Hussein. REFLECTING MOSCOW'S sensitivity to this interpretation, Foreign Minister Eduard Shevardnadze soon afterwards assured Iran of the Kremlin's continued neutrality, according to Iranian embassy officials in the Soviet capital.

Moscow has been trying to restore economic cooperation with Iran and sent a major delegation to Teheran in December.

Apart from not alienating Iran or Iraq, the Soviet Union also faces diplomatic headaches in the Middle East at large. Its main ally, Syria, supports Iran, but Moscow cannot afford to offend the vast majority of Arab states which back Iraq.

The United States, for its part, has often been accused of conniving at the continuation of a conflict which is ruining two potential foes of its ally, Israel.

Iraqi First Deputy Prime Minister Taha Yassin Ramadan told *The New York Times* this month that Iraq had lost its oil port of Faw to Iran last year because Washington had supplied it with faulty information playing down the scale of the Iranian attack.



An 'Al Mihmar' cartoon by Nadje el-Ali on the Gulf War. 'Al Mihmar' is a Rakah weekly published by 'Al Ittihad' in Haifa.

Domestic critics, however, accuse the Reagan administration more of neglect than of malice in its Gulf policy, and say the arms-to-Iraq scandal has not turned up any public sympathy for Iraq. Washington resumed diplomatic relations with Iraq in 1984 but has none with Iran.

"In both the State Department and the Pentagon, officials admit the United States has no contingency plans for thwarting a Khomeini victory," Middle East expert Milton Viorst wrote in the latest issue of the

influential U.S. journal *Foreign Affairs*.

"Conceding the seriousness of the threat, they say... that the secretaries of state and defence have not been willing to place serious policy proposals before the president."

Most diplomats in Europe believe both superpowers are broadly sincere in saying they would like the war to end soon with the situation on the ground as close as possible to what it was before hostilities started.

(Reuters)

Kuwaiti jitters

Robin Lustig/Kuwait

MOHAMMED Ali Naki, scion of one of Kuwait's most prominent Shia families, put a large advertisement on the front pages of all the emirate's newspapers last week. "Mohammed Ali Naki, brothers and family," it said, "hereby announce that we are not related to those arrested by the Ministry of Interior on charges of arson."

The family's desperate anxiety to clear its name was understandable. Last weekend, Kuwait television showed dramatic pictures of an arsenal of weaponry and ammunition allegedly captured during the arrest of 11 Kuwaitis suspected of involvement in the sabotage of key offshore oil installation. Among those arrested was one Khaled Abdel-Majid Abdel Nabi al-Naki, whose name was instantly recognizable as that of one of Kuwait's most powerful Shia families.

Not only the Nakis are nervous. With the rumble of artillery fire clearly audible in Kuwait from the Gulf War's southern front only 50 miles away, the conflict is having an irreversible effect on this tiny fragile country at the northern tip of the Gulf.

"There is no going back now," said a Shia intellectual who insisted his name not be published. "Tolerance is not the rule of the game. Kuwaiti society has always been more open than other Gulf states, but it is a fragile society which cannot absorb shocks. We have entered a very tense, very depressing situation. There is no liberty for anyone here these days."

About 30 per cent of Kuwaiti citizens are thought to be Shias, mostly descendants of Iranian immigrants who arrived at the turn of the century. Some of them are said to be sympathetic to the Iranian cause in the six-year-old Gulf War, and some still speak Persian rather than Arabic in their homes.

Last week's arrests rocked an already jittery Kuwait. Iraq's main financial backer. For the first time, the authorities admitted that acts of sabotage against the country's most sensitive targets are apparently being carried out not only by "subversive" foreigners but also by Kuwaiti citizens. In a nation where only a small fraction of the population are considered "first-class" citizens - the rest are regarded either as newcomers or as temporary immigrants with no civic rights, the admission has worrying implications.

The English-language *Arab Times*, which, like all Kuwaiti newspapers, is closely controlled by the authorities, said in an editorial: "These people (alleged saboteurs) have been given Kuwaiti citizenship. Kuwait has been very generous to them, given them the status as its sons and provided them with a name... What do these devils really want for what evil side do they work?"

Some Gulf leaders believe Kuwait asked for trouble when it allowed in workers from a variety of other Arab States to take jobs during the years of the oil boom.

"They took in Palestinians, Lebanese, Iraqis and Iranians - all the fighters of the region," said a senior government official in one Gulf state.

Some Kuwaitis agree: "The Palestinians are the sons-of-bitches of the Middle East," said one educated Kuwaiti. "The only people who know how to deal with them properly are the Israelis."

IN BAHRAIN, a 33-island archipelago halfway down the Gulf where a majority of the 400,000 inhabitants are Shia Muslims, the authorities have long played safe by ensuring that immigrant workers come only from such "safe" places as India, Pakistan and the Philippines. None of them is allowed to stay once a contract has been completed.

Although the Bahrainis insist that the Gulf War has had little discerni-

ble effect on their open, cosmopolitan life-style (alcohol is freely available, unlike in Kuwait or Saudi Arabia), diplomats in the region believe that there is continuing frustration among the indigenous Shia community at the dominance of the Sunnis, who came from the Arabian mainland 250 years ago.

Under the late Shah, Iran claimed Bahrain as part of its national territory. The post-revolutionary Khomeini regime has not so far revived the claim, but some Bahrainis fear it could one day do so. The recently-opened 25-kilometre causeway linking Bahrain to the Saudi Arabian mainland - built entirely at Saudi expense - is seen as one way of demonstrating to the Iranians that Bahrain intends to remain firmly linked to the Arabian, rather than the Persian, side of the Gulf.

Although in Kuwait it has been traditional to blame "foreign" Shias for internal subversion, the latest arrests seem to show that it is no longer enough simply to allow off the blame on to foreigners.

Western analysts in the Gulf see the main fear of the region's traditional rulers is not that the Iranian revolutionary hordes will one day break through Iraq's military defences and sweep down the Gulf's western shores in a surge of Islamic fervour. That, in any case, is considered highly improbable.

What keeps the desert sheikhs awake at night is the prospect that internal tensions within their own societies, which until recently were contained by the plentiful supply of oil revenue dollars, may soon bubble up to the surface. "The nightmare here is not the imposition of some kind of Islamic theocratic government, but the spectre of a Lebanon-style communal collapse," said one senior diplomat.

A lavish provision of free housing, education and medical care no longer seems enough to keep the place quiet. Because they are so rich, Kuwaitis rarely need to work - they simply live off their investments. In the long term, however, idleness and boredom can breed discontent. "Even if your slice of the cake is big enough, the knowledge that someone else has an even bigger one can lead to trouble," said one diplomat.

"If current trends persist, there will be more violence and more turmoil," said sociologist Khalidoun al-Naqeb, dean of Kuwait University's College of Arts. "The war has penetrated the psyche of the Gulf - there is fear, repudiation and uncertainty, even if people don't talk about it openly."

THE RULERS of the Gulf states govern by tried and tested means which owe little to Western ideas of democracy. Kuwait used to be proud of its reputation as the only democracy in the Gulf - even if, as one Western diplomat put it, it was democracy along the lines of ancient Greece, for the benefit only of the ruling elite.

But the National Assembly was suspended last year when obstreperous politicians began to poke their noses into the ruling family's financial affairs. No one seems to miss it much. As one resident commented: "Kuwaitis must prefer cash to democracy - the bottom line here is that everyone is rich."

But the Gulf states are in a precarious situation, buffeted both by the unpredictability of the world oil market and the seemingly unending war. For Kuwait, the closest of the Gulf states to the war front, it looks as if the news will be bad whichever way it goes. If Iran wins, it has the prospect of an Islamic revolutionary neighbour to look forward to. If the war ends with Iraq's formidable war machine intact, it may well cast its eyes again on Kuwaiti territory, as it did 25 years ago when Britain had to send in troops to stave off the threat of an attack.

And if the war continues, Kuwait - the richest of the Gulf States - will have to go on paying for it.

(Ottawa)

A rare Syrian satire

Peter Talmon and
Ya'acov Lamdan

A NEW hit comedy is playing in Damascus and if it does not portray Syrian society as a socialist utopia - neither does it portray the country as a nice place to live. In a rare move, the Assad regime has allowed a local touch upon the ubiquitous corruption pervading Syrian national life as well as much of the Arab world.

David Laham, Syria's foremost comedian, takes jabs in his latest film, *The Report*, at targets as high as government ministers. Of course, much must be inferred. The word "Syria" is never uttered once and the country in the movie remains as nameless as the government office where the protagonist, Azmi Bey, works. However, despite its limitations, *The Report* is impressive for what it attempts and even more so for what it gets away with doing.

David Laham himself plays the central character, a senior legal adviser responsible for approving government expenditures and proposals submitted by private citizens. Bey bases his decisions on law, not on bribes and pressure from above, and hence is in direct confrontation with local norms.

Bey finally feels obliged to resign over an incident involving a water pipeline, clearly symbolic of Syria's budgetary problems. A single, but non-functioning, pipeline has been installed in an area lacking running water. Bey receives a request for unauthorized payment to a musical group which entertained bewildered villagers at the pipeline's ribbon-cutting ceremony. He turns down the application, saying the expense would double the cost of the pipeline. The group itself was ordered for the benefit of the TV cameras by a minister for purposes of self-aggrandizement.

Bey expects that he will be recalled to his post within a short space of time, but his resignation is accepted promptly and without fanfare. Only his secretary remains loyal. She, together with his wife and daughter, rally round him and they decide to compile a report on the country's rampant corruption. Funny, fast-

paced sequences show the four roaming the city, photographing and chronicling incidents, some of which are clearly attributable to Syria - others, reminiscent of another Middle Eastern country, much closer to home.

His report completed, Bey goes off to various government offices in the naive belief that he will be taken seriously. On his way, he fantasizes about his heroic role, at one point fancying himself a medieval Arab knight, perhaps Saladin, liberator of the Holy Land from the Crusaders. Syrian moviegoers watched him ride past a sign reading "Falastin," the message being that cleaning up corruption is a precondition for liberating Palestine.

Perhaps this scene convinced the Syrian regime that *The Report* was, so to speak, kosher, despite its biting criticism. However, audiences at the 7:30 nightly showing at al-Kuds Cinema in East Jerusalem (no subtitles), are viewing a version in which the road sign has been removed.

THE ABOVE CASE is not Laham's sole allusion to Israel or Jews in the film. When asked to OK an extravagant expensive government banquet, he notes a dish on the menu called "Wandering Jew," and comments "Wandering Jew, fleeing Muslim," perhaps a veiled allusion to travel limitations on Jews and others in Syria.

The film makes a telling point about the way Israel serves as an excuse for the prevailing malaise in Arab society.

In one sequence an 18-year-old youth is on trial for running down and killing a child while attempting to pick up a young girl in his car.

The judge is about to pass sentence when the telephone rings. After several calls, the judge holds a whispered consultation with the de-

fence, who in turn communicates with his client. The judge then asks the accused where he was going when he ran down the child.

"To southern Lebanon to fight the Zionist enemy," responds the young man immediately.

"Then you are a hero," says the judge and gives him a one-year suspended sentence instead of a three-year jail term. The father of the dead child protests the light sentence, but is ignored.

However, the accused later tells Bey that he doesn't have the remotest idea where southern Lebanon is.

"We haven't learned about it yet in school," the youth admits. Bey's rejoinder: "Israel took it long ago." AS THE FILM approaches its denouement, it becomes obvious that nobody is going to treat Azmi Bey or his report with the seriousness they deserve. Finding government offices deserted, he learns that everyone has gone to a soccer match between "East" and "West."

He proceeds to the stadium, hoping to present his report to the country's leaders, while observed by the media covering the game. But as he crosses the soccer field towards the VIP section, he fails to heed the referee's signals to get off the pitch.

Suddenly, the ball strikes him, knocking him to the ground. The players, fighting to retrieve the ball, kick and trample him, smashing his glasses. No one comes to his aid - an apt comment on the film's star actor-producer, who has been jailed on-screen and off for his outspoken views.

As the credits appear in the last frames, Bey is seen lying lifeless on the field while the pages of his report are scattered to the winds. The movie, which the Syrian censor initially refused to approve, was released last November through the personal intervention of the Syrian minister of culture.

It was screened last month at a Cairo film festival and is currently the talk of the town in nine Arab capitals.



A Cairo cinema poster advertising 'The Report.'

(Yehuda Litani)

At the al-Kuds cinema, the enthusiastic audience punctuated the screening with applause, laughter, groans - even songs at the appropriate junctures. One young man kept up a constant barrage of comments about the corruption of Arab society.

The Paris-based magazine *Al-Mustakbal* said recently that the film was a cry from the heart of Arabs everywhere about their common predicament - and one that unified them across the Middle East's divisions.

Laham, popularly known as the Woody Allen of the East, was featured in an *Al-Mustakbal* interview in which he said that if those at the

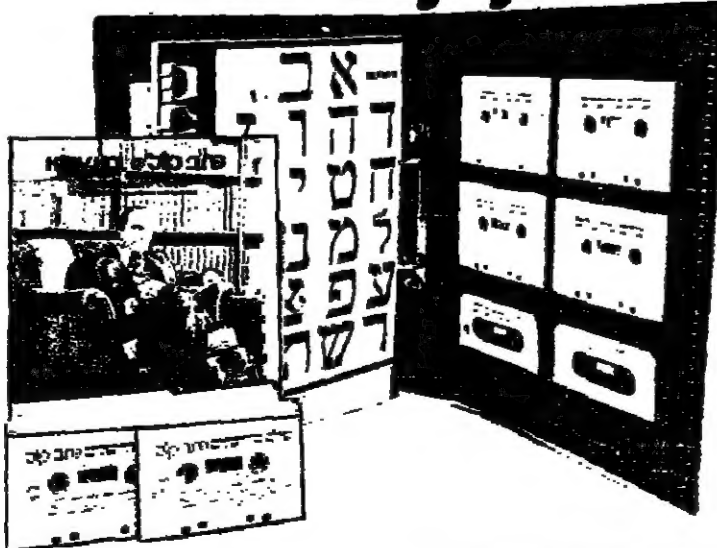
top were aware of corruption, but chose to remain silent, then the situation was grave indeed.

The burdens of daily life in certain parts of the Arab world, where people may have to queue for three hours for bread or rice, leave them no time for reflection on the larger issues, he added.

Asked why a film aimed at exposing the corruption of Arab society should have shots of an East-West football match, the film maker replied that the intention was to show how Arab interests get submerged as a result of superpower conflicts.

"The United States and Russia play out their games," he said. "While we, the Arabs, are left to pay the price."

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הנהלת הלימודים

The Middle East page is edited by Yehuda Litani.

TABLE TENNIS

Israel barred after all

Post Sports Staff
India has refused to issue visas to the Israeli team due to compete in next week's world table tennis championships.

Mool Chand Chaudhary, secretary of the Table Tennis Federation of India, said that the Indian government's decision was conveyed to the ITTF and that they had informed the International Table Tennis Association.

The Israel Table Tennis Association held an emergency meeting last night and sent a protest telegram to the president of the International Table Tennis Association president Roy Evans asking him to convey Israel's dismay at the decision.

"We consider this to be pure racial discrimination by the Indian Government," said Dr. Shlomo Kedar president of the Israel Table Tennis Association.

Teams representing the Palestine Liberation Organization and six Arab nations last month threatened a boycott if Israel were to be allowed to compete.

A meeting of 17 Arab ambassadors and consular officials at the Arab League's office in New Delhi on January 23 decided to boycott the championships if India gave visas to Israeli players.

India also refused to allow Israel to come to the ninth Asian Games in New Delhi in 1982 as well as the 1975 World Table Tennis championships in Calcutta.

SCOTTISH SOCCER

DUNDEE (AFP) - Celtic finally knocked out Scottish Cup holders Aberdeen at neutral Bannockburn. The team they had to thank was Scotland's leading goal-scorer Brian McClair, who scored the only goal.

Other Cup matches: East Fife 1, Dundee 4; Kilmarnock 1, Hearts 3.

TENNIS

Amos is unseeded in Memphis

Post Sports Staff
Memphis, Tennessee. - Amos Mansdorf resumes his quest for further glory at the U.S. Indoor Championships here. He is not seeded. Shlomo arrived too late for the draw. The field is so strong that John McEnroe is seeded fifth.

In the opening round, Paul Annacone of the United States scored a 6-4, 6-2 victory over compatriot Glenn Layendecker.

Annacone, who has dropped from 13 to 43 in world rankings since 1985, said he has hired a psychologist to help him improve his game. He will face McEnroe in the second round.

"I've got my attitude back to

BASKETBALL

It's not all over yet

By DON GOULD

TEL AVIV. - It's over, but it's not over. The National Basketball League concluded its 22nd and last round of play on Monday.

Although champions Maccabi Tel Aviv have now finished an unprecedented 18 straight times at the top, the rest of the league, with the exception of last place Hapoel Ramat Gan, produced the tightest battle for positions in league history.

In the end, Hapoel Eitan Gvat who played in the premier league for one season, finished 11th and will drop down to the second division in the coming season along with Hapoel Ramat Gan.

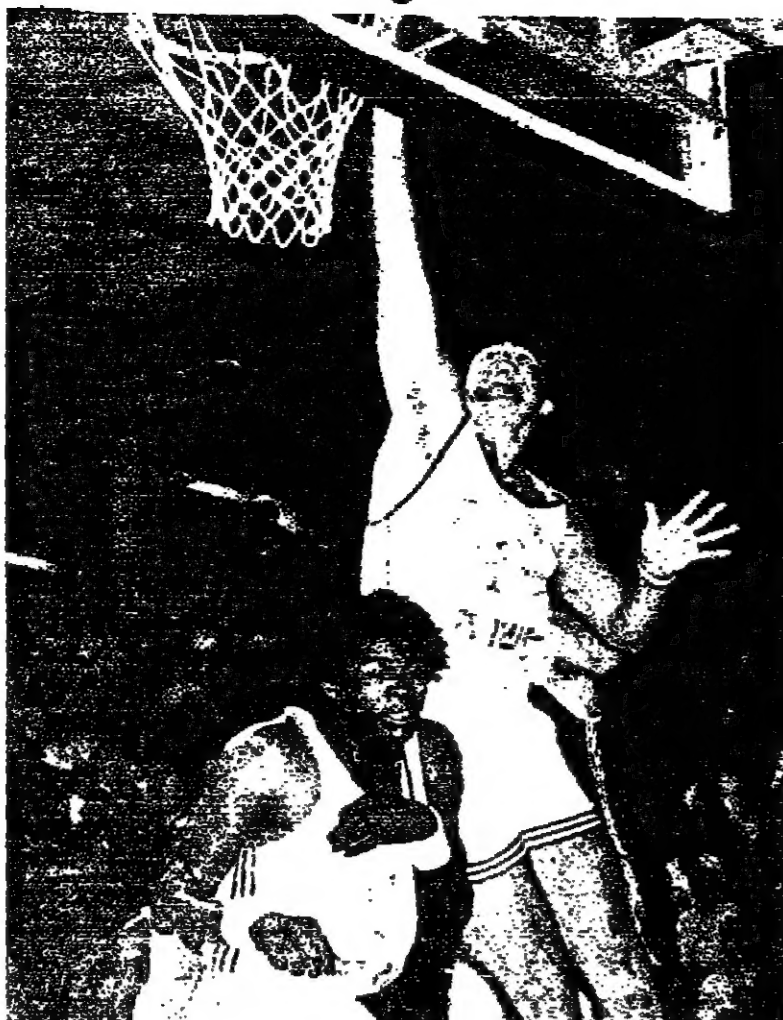
Playoff action begins this Sunday. Eighth-placed Betar Tel Aviv visit top team Maccabi Tel Aviv. The first round will be completed on Monday when seventh-placed Hapoel Holon, Hapoel Tel Aviv (6) visit Galil Elyon (3), and Maccabi Haifa (5) travel to Elitzur Netanya (4).

In every statistic, Maccabi Tel Aviv dominated the league. They averaged the most points per game and gave up the fewest points per game, then averaging an incredible 30 points differential per meeting.

Betar Tel Aviv's Ron Davis took league scoring honours averaging 31.7 points per game, while Maccabi Tel Aviv's dynamic duo of Kevin Magee and Lee Johnson finished second and third. Magee scored the nets with 27.4 points per game and Johnson was not far behind with a 24.2 average.

Kevin Magee topped Galil Elyon's Terry White to take rebounding honours. Magee swept the glass clean 293 times this season for an average of 13.3. White fell one short of Magee's total.

The regular season is over, but only now does the action really begin. Even before next Sunday's first game is played, one of the best doubleheaders this season will take place tomorrow night at the Yeh Elyahu Sports place. Elitzur Netanya meet Galil Elyon and Maccabi Tel Aviv entertain Maccabi Haifa in the semi final round of the State Cup.



LOST WITHOUT THEM. - Hapoel Jerusalem owe much to two of their players, Ricky Brown (left) and Billy Miller who put up good performances late in the season and helped save their team from relegation. (Hendler)

FINAL STANDINGS	W	L	Points Scored	Average per game	Points Allowed	Average per game	Average Net difference	Points
1. Maccabi Tel Aviv	21	1	2455	111.6	1792	80.5	30.1	43
2. Hapoel Eitan Gvat	17	5	2028	92.2	1812	82.4	9.8	39
3. Galil Elyon	14	7	2026	92.1	1949	89.1	3.0	37
4. Netanya	14	8	2116	96.8	2150	93.5	2.3	36
5. Maccabi Haifa	12	10	2071	94.1	2023	88.2	5.9	34
6. Hapoel Ramat Gan	12	10	1938	88.1	1955	89.8	-0.7	34
7. Hapoel Tel Aviv	13	9	1954	89.4	2006	91.1	-1.7	31
8. Betar Tel Aviv	9	13	1939	88.6	2009	90.4	-1.8	29
9. Hapoel Holon	7	15	1954	90.1	2146	97.3	-7.2	27
10. Maccabi RG	7	15	1988	90.4	2155	97.9	-7.5	26
11. Gvat	6	16	1877	85.3	2050	93.2	-8.9	24
12. Hapoel RG	2	20	1897	86.9	2352	106.9	-19.0	24

LEADING SCORERS	Games	Points	Average
1. Ron Davis	15	697	31.7
2. Kevin Magee	15	692	30.5
3. Lee Johnson	15	510	24.1
4. Ronald Horvath	15	532	24.2
5. Alan Hardy	15	529	23.9
6. Or Gurev	15	518	23.5
7. Lavon Marer	15	514	23.4
8. Laimar Heard	15	512	23.3
9. Curtis Berry	15	476	21.7
10. Jonathan Dorell	15	467	21.1

LEADING REBOUNDERS	Games	Rebounds	Average
1. Kevin Magee	15	293	13.3
2. Terry White	15	285	12.2
3. Billy Miller	15	271	12.3
4. Richard Mudd	15	232	10.5
5. Ricky Brown	15	210	9.5

SQUASH

Bodimeade takes title

By JACK LEON
Post Sports Reporter

RA'ANANA. - Top-seeded Martin Bodimeade from London won the men's title at the fifth Seagram-Sabra Israel Open Squash Championships here, late on Monday night. He beat No. 2 seed Gamal El Amir of Egypt 3-0 (9-6, 9-0, 10-9) in an entertaining final.

Bodimeade (23) is at present ranked No. 3 in England and 15th in the world.

Surprisingly this is his first international crown, although he has won numerous titles at home. El Amir, 27, is currently 37th in the world rankings.

Bodimeade's success gave England a clean sweep of the top honours at the \$10,000 tournament, with Lucy Souter winning the women's event and Israel Geffen and Ron Coope retaining their respective over-35 and over-45 men's titles - Coope for the fifth time. In the women's semi-finals, Angela Smith defeated Rebecca Best 3-2.

Bodimeade, a likable, down-to-earth cockney, controlled the centre of the court for most of the 75-minute final, and he had El Amir constantly stretching to the corner. The humorous Egyptian, who excelled in the drop shot and lob, failed

to capitalize on four game-points in the third set.

El Amir and his compatriot Mohamed Awad (winner of the Israel Open last February and a semi-finalist this time), both told me they will be back next year. Alexandria-born Israel Squash Rackets Association's president Avraham Albo confirmed that Awad will be accompanied by

Under tournament director Marty Einhorn, the event went off without a hitch.



WINNER AND LOSER. - Martin Bodimeade (left), who beat defending champion Mohamed Awad in straight games on Monday night. (Guthmann)

Telesquash: a popularised version

ABERDEEN, Scotland (Reuters). - In the cold and windy northeast of Scotland two men are trying to revolutionize - and popularize - top squash by turning it into a more palatable product for television.

Coaches Ian Gray and Eric Farr have created a quicker and more exciting form of the game.

Called telesquash, the game restricts a rally to 15 strokes and both players can score a point regardless of who is serving.

Farr, who has been promoting squash in Scotland for more than 10

years, says today's top players play a boring game with long rallies of sometimes 100 strokes.

"They just wage a war of attrition on court, each player trying to physically grind the other into the ground with endless safety shots and limited attacking play," Farr said.

"At the moment, the game is not a spectator sport. I've seen normally enthusiastic squash fans watching the game on television looking as excited as if they were watching two goldfish swimming around a bowl." But while the International

Squash Rackets Federation has approved telesquash, some of the top players at the game's first-ever event in Aberdeen were far from sure.

World champion Ross Norman, beaten in an early round, said telesquash was a positive development but it was not likely to take over from traditional squash in major tournaments.

"The game could co-exist with traditional squash like one-day cricket survives with five-day test matches," Norman suggested.

SOCCER

Bingham's Saudi connections keep him from Tel Aviv

BELFAST (AFP). - Ipswich Town's 25-year-old striker Kevin Wilson has been called up for Northern Ireland's friendly international against Israel in Tel Aviv on February 18.

He is in line for his first cap and qualifies through his mother's Northern Ireland birth.

So, too, do two other members of the 17-strong squad - Wimbledon's Laurie Sanchez and Brighton's Danny Wilson. They made their debut in the European Championship tie last November against Turkey in Izmir.

Sanchez, watched last season by manager Billy Bingham, joined Ipswich from Derby County in 1984-

85, and now links up with Southampton Town's Colin Clarke, the most prolific of Irish goalscorers for some years.

Bingham is not certain to make the trip himself because of a commitment with his Saudi Arabian club Al Nasser, where he is a £100,000 per year coach. His stand-in will be Jim Platt, player-manager of Irish League club Coleraine and ex-Middlesbrough goalkeeper.

Newcastle United midfielder David McCreery was ruled out with a groin injury which could sideline him for several weeks. Bury's Phillip Hughes retains the goalkeeping spot with Lindfield's George Dunlop as

his deputy. Dunlop collected his eighth Irish League championship medal on Saturday.

The full squad is:
Hughes (Bury); Dunlop (Lindfield); Fleming (Nottingham Forest); McClelland (Walsall); O'Neill (Leicester City); McDonald (QPR); Ramsey (Leicester City); Donaghy (Luton Town); Worthington (Sheffield Wed); McNally (Shrewsbury Town); Whiteside (Manchester Utd); D. Wilson (Brighton); Penney (Brighton); Stewart (Newcastle Utd); Sanchez (Wimbledon); Clarke (Southampton); K. Wilson (Ipswich Town).

In London, West Ham bounced back from recent defeats by Tottenham and Oxford with a 4-0 win over second division Sheffield United in their English F.A. Cup fourth round tie.

Borussia Moenchengladbach beat Hapoel Kfar Sava 3-2 in a friendly match in Kfar Sava.



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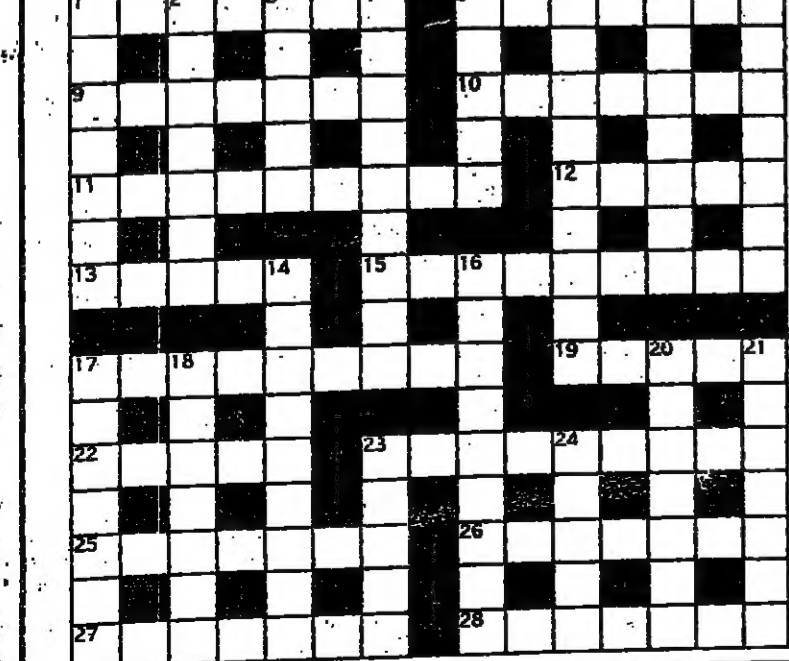
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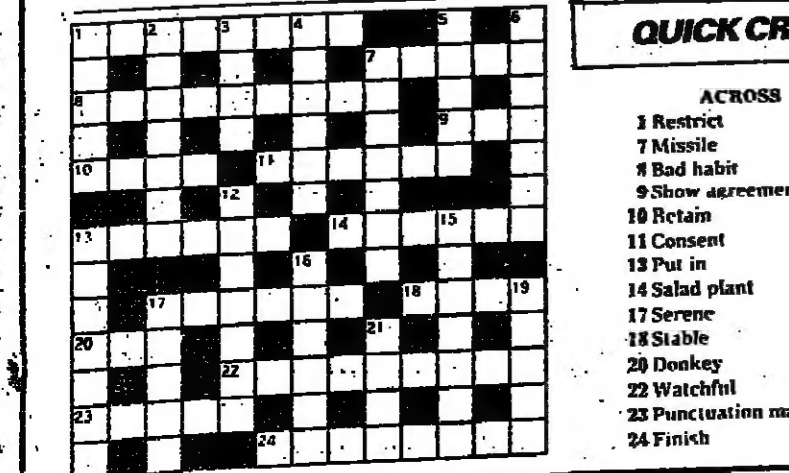
CROSSWORD

- DOWN**
- Baron bolted and barred (7)
 - Describing flower that can be blue or white (7)
 - Duchess in a rash outbreak (5)
 - Wolf, swain, Roman, endlessly perhaps (9)
 - Problem for artist's model (5)
 - See first at Brighton getting girth adjusted? It is a plant (9)
 - Cakes, of course, for old instrument in new air (7)
 - Hardy girl takes ages to find a piece of mosaic (7)
 - Making off-peak call? (9)
 - Fanciful, light, enchanting creature (4-5)
 - Preserved in brine that is drunk (7)
 - Implement that is universally silent, in a way (7)
 - Regular habit (7)
 - Get far ready in advance? (7)
 - Nothing purchased without a starter (5)
 - Approaches from within earshot (5)
 - Power-tool observed by group (4-5)
 - One who performs rubbish on the jerry (7)
 - Our mild characters out-beaten by the West Indians (5-6)
 - Puts aside ledges (7)
 - Needy nobleman working as bottle-washer? (9)
 - Flower for right-handed person (5)
 - Run down last month? Hard lines (5)
 - Girl has an appalling outcome leaving this earthly paradise (7-2)
 - Quiet washer without a stripper (9)
 - Fine person who has a sort of square bottom (5)
 - Dance about in front of a basket (5)
 - Disgusting attack (9)
 - Permanent No 11 batsman opening game? (7)
 - Girl using AI roads, when repaired (7)
 - Joy is what stopped the Camptown cricket match (7)
 - Top dressing for some eastern dishes? (7)



Yesterday's Solution

ACROSS: 1 Socials, 5 Kils, 8 Arque, 9 Freedom, 10 Traitor, 11 Canny, 12 Clever, 14 Spread, 17 Uncle, 19 Rancour, 22 Isolate, 23 Living, 24 Naked, 25 Linctus. DOWN: 1 Slant, 2 Genetac, 3 Alert, 4 Safari, 5 Kneecap, 6 Laden, 7 Samovir, 12 Caution, 13 Emerald, 15 Feintist, 16 Ordeal, 18 Clock, 20 Nylon, 21 Rares.



QUICK CROSSWORD

ACROSS

- Restrict
- Missile
- Bad habit
- Show agreement
- Retain
- Consent
- Put in
- Salad plant
- Serene
- Stable
- Donkey
- Watchful
- Punctuation mark
- Finish

DOWN

- Pile
- Reparation
- Unit of length
- Manifist
- Salt water
- Nonsense
- Aerial
- Sedition
- Early childhood
- Mimic
- Total failure
- Sacred song
- Bishop's hat
- Suave

CRICKET

The Ashes are not Aboriginal

LONDON (Reuters). - Lord's officials have been told by a leading Australian historian to disregard a claim that the Ashes urn contains the remains of an Aboriginal cricketer and not the charred fragments of a ball.

Professor John Mulvaney said he was astonished to hear the claim in Melbourne's Sunday Press newspaper that the trophy-symbol of tests between England and Australia - carried all that was left of King Cole, a member of the 1868 Aboriginal touring side to England.

"It's absolute nonsense. I can totally invalidate it. King Cole was buried, not even cremated, near the Oval in London after dying of tuberculosis during the tour," said Professor Mulvaney from his home in Canberra.

The Ashes are officially said to be the remains of a ball which a group of women burned after the Hon. Jov Bligh's team triumphed in the 1882-83 test series in Australia.

England retained the Ashes during their current Australian tour with a 2-1 series win.

SPORTSLETTERS

Rugby league coach Cameras promote fair play

To the Sports Editor
Sir. - In response to British rugby league coach Len Casey's comments (JP Jan 28) that American football is a joke when compared with rugby, and that American football players cannot make it in that sport, permit me to point out that few, if any, rugby players have been able to make it in the National Football League.

With the astronomical salaries the NFL pays, you would think that, if rugby players were as good or as tough as Mr. Casey claims, the league would be sprawling with them.

As for American footballers not making it in rugby, those who have "tried their luck in rugby league" were already rejected by both the American and Canadian football leagues.

With regard to the protective gear worn by American footballers, to go out and play without it is not tough but stupid. There are too many deaths and injuries each year as it is.

LEWIS ALSTER

Sir. - The comment "Referees vs Cameras" regarding officials with the help of the super-ref (J.P. Jan 27) was very much to the point and relevant to sport in general.

But following a conversation with a Sabra friend I have realised that there is a flaw in their logic. My friend noted that in a sport as physical and as violent as American football, the mere presence of the all-seeing cameras promotes fair-play.

What immediately came to mind was an incident several years ago when the slow motion cameras captured a player throwing himself on a pile-up, grabbing an opponent's leg and breaking it as he fell on the heap of players. When this action came to light through the action of the slow-motion film, the offending player was banned.

Kessel & Gillon may be right in objecting to "using a playback as a court of appeals." However, I think that the benefits of the use of cameras at sports events far outweigh the "violation of the spirit of sport."

STANLEY KIMMEL

Kibbutz Yagur.

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American lifestyle takes hold

'Big bang' puts London on the run

LONDON (AP). — Some post-"big bang" Londoners now get up at the crack of dawn to "power-breakfast," throw baseball metaphors during business conversations and pump iron in crowded gyms at the end of increasingly long days.

On top of these lifestyle changes, London's sweeping financial deregulation has meant more opportunities for women and lower classes, has affected the architectural landscape, and has given a boost to real estate agents, sports car dealers and the financial media.

But changes in this city mean that some traditions have been lost, such as the animated trading on the London Stock Exchange floor which has been replaced by dealing through computers.

Some Britons, including clergymen and stress experts, are warning of negative consequences of big bang — the computerization, deregulation and internationalization of London's major financial markets that took effect mostly in October.

The London Stock Exchange's new computerized trading system and longer trading hours have increased the speed and volume of trading. The end of the distinction between a stockbroker and a jobber, someone who makes a market in a stock, has fueled domestic competition. And the move to allow foreign companies to join the exchange has led to an influx of fierce competitors from abroad.

One consequence has been that U.S. firms have hired Britons, and vice versa.

The result, says Michael Lewis, an American freelancer and options specialist with Salomon Brothers International Ltd., is that British bankers have adopted some Americanisms.

They are more likely to talk about their money — it used to be considered obscene to make the stuff — and are dropping those baseball metaphors into U.S. business-school jargon, Lewis said.

Bankers generally used to arrive at the office at 10 a.m., enjoy a long and usually alcoholic lunch from 1 p.m. to 3 p.m. and leave at 4:30 p.m. But now only workaholics can succeed, said 36 per cent of managers of 112 British financial institutions surveyed by the polling organization Mori. Twenty-three per cent said they worked more than 55 hours a week.



Traders on the London Stock Exchange.

(Reuters)

They are more likely to talk about their money — it used to be considered obscene to make the stuff — and are dropping baseball metaphors.

The London Stock Exchange opens an hour earlier than before, at 9 p.m., and closes an hour and a half later, at 5 p.m., and trading continues over the telephone at brokers' offices.

"There is certainly a new and rather ugly seriousness about work," Penny Perick, a columnist for *The Times* of London, said in an interview.

Stress experts have turned their attention to The City, London's financial district, where a series of insider trading scandals and the subsequent threat of government regulation have turned up the heat.

There are concerns that more city workers are turning to cocaine to

help them get through the day, the *Daily Express* reported. The men's room at a major, unidentified finance house is called "the powder room" because staff use it to snort the drug, the newspaper said.

Big bang has meant more opportunities for women and lower classes at the financial firms because of the sheer volume of hiring in preparation for big bang, said Tony Barnes, managing director of Korn-Ferry International, an executive recruitment firm. But Barnes added that their proportion hasn't increased in relation to the number of men traditionally hired.

Big bang's effect on London's architecture, meanwhile, has just begun, Colin Amery, architecture correspondent for the *Financial Times*, said in an interview.

The proliferation of computer technology requires bigger floor spaces and higher ceilings, Amery said.

In addition, he said, more finance houses are asking architects to put leisure centres and work-out areas in their buildings.

Some companies have moved to the docklands, a 20.8-square-kilometre area east of central London whose multi-billion dollar development has been accelerated by big bang.

The real estate boom, however, appears to have been spotty.

Residential prices have tripled in docklands, said Andrew Lawrence, a spokesman for the development area. But real estate agent John Birch said: "There were certainly not the large number of inquiries that were expected."

The Roux Brothers have opened a restaurant in the city called Rule Britannia. It offers French and British food cooked *sous-vide*, or pre-prepared and then boiled in a bag.

"It does mean they can serve faster," Halden said.

Some other restaurants, including Chez Gerard, have noticed a pick-up in breakfast business, and caterer High Table Ltd. says its investment bank clients are asking for more sandwich lunches to eat at their desks.

The financial media are enjoying a boom, especially the daily *Financial Times*, which reports circulation and ad revenue are up.

"Big bang has been very positive for us," confirms Richard Lambert, deputy editor of the *Financial Times*, which has hired more staff at higher salaries.

David Jenkins, the Bishop of Durham, preached to a congregation in a City of London church in early January on the "morally and socially outrageous" salaries being paid. The bishop told parishioners to remember charity and beware of greed.

But Perick, the *Times* columnist, doesn't think that the big bang mania will last.

And she added: "I think it affects such a small number of people. I would say most people are like me and don't have the faintest idea what big bang means."

This is the first of two parts

BANKING ON IT/Pinhas Landau

EFT/POS: Israel does it right

In the previous article, we demonstrated how EFT/POS works by taking a straightforward transaction and comparing its processing, both at the point of sale, that is, the retailer, and beyond, with a non-EFT/POS system.

It illustrated the advantages of EFT/POS to the retailers, the credit card companies and the banks that own them, and — both directly and indirectly — to the customers who use it. EFT/POS, for electronic funds transfer at point of sale, is a system in which consumer purchases are debited against their bank accounts electronically, instead of through a check or by cash. Transactions are made with a credit card. It may thus be surprising to learn that EFT/POS is catching on only slowly in many advanced countries. In Israel, however, it is making rapid progress.

It may be surprising, but there is a strong body of evidence to suggest that Israel is doing things the right way, both in planning and in execution. To stretch the reader's credence to its very limits, or beyond, it may be added that the people responsible for doing things right are primarily the bankers.

This achievement of common sense, however, came the hard way. When Israeli banks started introducing cash dispensing machines (later known as automated teller machines, or ATMs) each bank went its own way, invested heavily in infrastructure and technicians and shunned the very idea of cooperation. The ineffectiveness of the Bank of Israel in persuading or enforcing cooperation contributed to this free-for-all, and the result was that a great deal of money was wasted. But, in those days, wasting money was standard operating procedure for the banks.

In recent months the system has begun to expand very rapidly. As of the end of January, there were 180 terminals installed at 135 outlets.

In the aftermath of the 1983 crash, bank managements cracked down hard on certain forms of spending, especially that connected with capital outlays such as expensive computer systems. As regards ATMs, the banks finally realized that it made more sense to cooperate than to go it alone. The machines were altered so that every ATM would honour every card — at least in theory.

After ATMs, with which the country was saturated by that time, the next great challenge to electronic banking was POS — and specifically in making emerging electronic point-of-sale systems compatible with the banks' network, to create a nationwide EFT/POS system.

Other countries' experience in this area has been generally negative. In the U.S., for instance, where most banks are small and local, to get an effective EFT/POS system working meant getting lots of local banks to work together — in itself a very difficult target. Even in Britain, where the four large clearing banks dominate the whole country, cooperation was spoken about for a decade without much happening.

Furthermore, even if and when banks agree to cooperate, that is at most half the battle, and often less. There are the card issuers and the retailers to consider, and only in some countries do the banks own most or all of the credit cards and other forms of plastic money that EFT/POS is geared to. The great question in most countries became who is going to pay for the huge cost of installing the system, the financial institutions or the retailers? And, indeed, the different interests of the parties involved led to major arguments over what kind of system should be built — on-line or off-line; how much, if any, real-time access to central computers was needed; and whether the telephone infrastructure could stand up to the pressures. Whose equipment is better, and for what purpose? The technical, financial and managerial problems can be horrendous; few countries, other than France, overcame them without great difficulty.

In Israel, the shock of the bank share collapse was still palpable in early 1984, when a joint committee to consider an EFT/POS system was formed. It comprised representatives of the three big banks (Leumi, Hapoalim and Discount), the three credit card companies (Visa, Isracard and Diner's Club) and Sheba, alias Automated Banking Services Ltd. Sheba, which is owned by the top five banks, co-ordinates, plans and operates automated banking services, exactly as its name implies.

The committee quickly reached the sensible conclusion that if EFT/POS was to be a viable proposition, it

would have to be on the basis of the banks operating the system together, for which Sheba was the ideal vehicle. The panel also decided that, given the banks' new-found austerity, the system would have to be built with a minimum of up-front expenditure.

An Israeli company called Shavit Telecom, the agent for the French-made CKD system, was selected. It was the beginning of a "French connection," which would extend to the whole system's being built on the basis of experience in France, the European country furthest advanced in EFT/POS systems.

The next key decision was that Shavit was left to do the marketing by itself. The banks and the credit card companies at no time, even today, have engaged in pushing their customers to join the scheme. Shavit's first task was, therefore, to locate 50 retail outlets for participation in a pilot scheme. For this purpose, it offered them the equipment for the duration of the scheme, but without promising to leave it with them, or even sell it to them more cheaply at the end of the experiment.

The nine-month pilot scheme ran through most of 1985 and was a smash-hit success. All the participants were quickly hooked onto the joys of EFT/POS and not a single one was prepared to give up its terminal, so they all paid \$2,300 per unit rather than have Shavit take them away when the pilot ended. The card companies also professed themselves highly satisfied with the results — in fact, their expectations had been far surpassed, while the phone network has caused hardly any problems.

Thus, in March 1986, two years after setting forth into the unknown, the joint committee gave the green light for the system to go ahead on a fully commercial basis, and turned itself into a steering committee to oversee the system's development. The policy remained, however, that growth would be determined solely by market demand, without any artificial help from the banks or the card companies. Shavit was left loose on the Israeli commercial scene, with the clear understanding that each would-be client bought his own terminal, linked up to the system, and then paid transaction fees to the card companies whose cards he honoured.

Sheba's contribution was to lease a Tandem computer to act as host for the terminals that began to spread around the country. Sheba's boss, Gideon Milwidsky, boasts that the company didn't add staff, didn't invest beyond the level that was necessary to meet foreseen capacity and altogether spends \$15,000 a month — half a Japhet-sized pension — to finance the operation. But, he contends, both the computer and the human elements of his organization's structure are flexible enough to allow extra units to be added.

He may be put to the test quite soon. In recent months the system has begun to expand very rapidly. As of the end of January 1987, there were about 180 terminals installed in 135 outlets, mostly in greater Tel Aviv, but also in Haifa, Jerusalem and even Eilat, with more joining all the time. These handled over 200,000 credit-card transactions last month — the first time that the system reached its economic break-even point of an annualized rate of two million transactions.

As a basis of comparison, Milwidsky points out that the average number of transactions handled by each Israeli terminal, on a per capita basis, is four times that achieved in France. Israelis are compulsive credit-card users — a habit they picked up in the years of hyperinflation — and the retailers and card companies are therefore quick to benefit from the advantages of EFT/POS processing of transactions compared to the conventional system.

The outlets that have joined so far are predominantly in the food business — restaurants, delicatessens, cafes — as well as hotels and petrol stations. Presumably because of the "take it or leave it" marketing strategy that has been adopted, there has been less friction between the retailers and the financial institutions than has been the case in other countries. No one joins unless they think it worth their while. So far, the experience has been that, having joined, no one has thought it worth their while to leave.

The big chains are not yet in, hence the small number of terminals compared to the number of outlets. Kol-Bo Shalom, with its main Tel Aviv store and its new one in Haifa, is due to join soon and Supersol intends to come aboard later this year. When these and other giants jump in, the numbers will be given a massive boost. But it is already clear that EFT/POS is here to stay, and will become steadily more commonplace. That begs the question of where does it go from here — and the answers are numerous and fascinating.

This is the fourth in a series

Arabs fret over reliance on food imports

ABU DHABI (AFP). — Arab countries have become so dependent on food imports that officials fear they could risk political pressure from non-Arab suppliers.

Arab food experts at a recent seminar in the United Arab Emirates estimated that food consumption in the Arab world was growing at the rate of 7 per cent a year, far outstripping the 1 to 2 per cent increase in production.

They said Arabs were buying at least 60 per cent of their food requirements from outside and warned that such reliance on foreign food sources could pose political problems.

The experts from the 22-member Arab League attributed the situation to the population growth rate of Arabs — at 3.5 per cent, among the world's highest — and a parallel increase in per capita income. The Arab population jumped to 168 million in 1985 from 100 million in the 1970s and could exceed 200 million by the turn of the century.

They also blamed large scale industrialization, which had drained manpower from the agricultural sector, and caused shortages of water and arable land. Continued political instability in traditional Arab food-producing states has exacerbated the problem.

Studies presented at the seminar showed Arab states grow only 29 per cent of their sugar requirements, 31 per cent of wheat, 44 per cent of barley and 58 per cent of rice.

In 1985 Arabs paid \$22.5 billion on imports to fill the shortfall and experts predict the figure will rise unless massive investments are made in food production.

According to Falah Jabr, secretary-general of the Baghdad-based Arab Federation for Food Industries, only 4 per cent of the estimated 1.3 billion hectares of arable land in the Arab states is under cultivation.

He said Arab countries took 77.7 per cent of the world's exports of mutton, 13 per cent of wheat, 18 per cent of red meat and 13.8 per cent of dairy products. But in return they only exported olive oil, dates and some fruit, chiefly to Europe.

Large-scale drought, desertification and above all, political instability have stunted food development programmes. Obvious examples where fertile land is going to waste are Iraq, engaged in war with Iran; Lebanon, racked with factional violence; and Sudan, plagued by drought and civil war in the south.

Arab development funds say the food bill is a contributing factor to the staggering external debt of the Arab states.

Saudi Arabia and other oil-exporting Gulf states have pinpointed food sufficiency as a prime goal in their plans to diversify productive economic sectors. They have started their own massive food security programmes, offering hefty subsidies to farmers to discourage them from leaving the land for booming urban centres.

The water-deficient desert states have in recent years produced thousands of tons of surplus wheat and other products at several times the world prices in their search for food security.

WORLD BUSINESS IN BRIEF

Baker says fall in dollar will aid U.S. trade

WASHINGTON (Reuters). — U.S. Treasury Secretary James Baker said yesterday he was confident the lower value of the dollar in currency markets would help reduce the massive U.S. trade deficit this year.

In testimony prepared for delivery before the House of Representatives Ways and Means Committee, Baker acknowledged that the effects of exchange rate changes on the trade deficit had not been as quick or as strong as had been expected, but he said they would soon begin to have an impact.

"We are confident that the cumulative effect of the exchange rate changes thus far will contribute significantly to a reduction of our trade deficit this year," he said.

Although exchange rate changes

have not influenced the trade deficit as much as expected, Baker said, "exchange rate changes have contributed to a levelling out of what had been an upward trend in our trade deficit."

OWNERS OF STOCK in Nippon Telegraph and Telephone (NTT) pocketed profits of about \$2.615 on each share they sold yesterday, when trading started in the telecommunications giant.

Brokers said more than 100,000 shareholders were involved in the bonanza as the price of the stock soared to the equivalent of \$10.460.

NTT came on the Tokyo Stock Exchange Monday, but trading was unable to begin because too many buy orders thwarted attempts to fix an opening price. It was the biggest share offering ever in Japan.

THE BRITISH AIRWAYS PLC has been heavily oversubscribed, sparking a big rise in the price of the airline's stock in the unofficial gray

market on Monday.

British institutions and private investors applied for a total of 7.8 billion shares in the state-owned airline but will have only 582.5 million shares to divide up. Transport Secretary John Moore said over the weekend.

The government — after numerous delays over the past few years — is selling a total of 720.2 million shares at the equivalent of \$1.875 each, for a total of \$1.35 billion.

EC FARM MINISTERS yesterday agreed to finance the disposal of more than one million tons of surplus butter in the next two years.

But European Community sources said the ministers were unlikely to adopt a separate proposal to stop replenishing EC butter supplies by buying farmers' excess stocks at subsidized prices.

An EC official, who asked not to be named, said that after more than 11 hours of talks, the farm ministers adopted a proposal to set up a special fund of \$3.7 billion to finance the disposal of excess butter.

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MARKET PLACE

DAVID RESS

Anything but a loan

Burned by the Third World debt crisis, banks are quickly diversifying away from banking.

Banking, that is, as most people understand it, in the traditional sense of taking your money and making loans with it.

Instead, they are pouring billions of dollars into securities—bonds and shares—in a discreet revolution with far-reaching implications for global finance.

"It seems that banks are in the bond buying business nowadays. They surely don't seem interested in lending money any more," said a London banker who has recently transferred to a bonds desk from one that handles Latin American debts.

For the banks and their shareholders and depositors, securities seem a safer bet than loans. They can be traded in the market, so the bank can quickly bail out of a bad risk.

The trend does not mean that small borrowers will find that the bank manager turns them away, unless, at some future date perhaps, a present boom in consumer borrowing in Western economies is followed by a flood of debt.

But for larger enterprises, with annual revenues above \$100 million, and for nation states, bank loans are hard to get. The pressure is on for these players to raise money by issuing bonds or, in the case of companies, to offer shares.

It is tough on an already debilitated Third World.

The move to securities, bankers say, is one reason why trading volume in the once obscure Euro-bond market, which deals in bonds issued in currencies outside their country of origin, rose to more than \$2.5 trillion last year. Foreign purchases of U.S. Treasury securities soared too.

The Organization for Economic Cooperation and Development (OECD) says that the volume of international medium- and long-term borrowing rose 11 per cent last year to \$317 billion. But bank loans fell 3 per cent to \$58b. Financing through international issues of bonds meanwhile rose to \$226b., up 35 per cent from 1985.

Some bankers doubt this heated pace can be maintained, but add that much of the slack may be taken up by commercial paper—short-term debt instruments issued by companies or banks who want to raise money.

The volume of new Euro-market commercial paper last year climbed to \$60b. from \$3b. in 1985.

The attraction of commercial paper is not only that it is tradeable, but that its short life, never more than a year, also reduces banks' risk.

Short-term lending, through the interbank market, has also surged, with the latest statistics of the Bank for International Settlements showing a 157% rise in the third quarter of 1986. These funds, flowing between banks, were largely used to finance banks' own bond buying.

"Banks are not really lending, but are financing each other's securities purchases," says a French banker. "We can no longer exploit the LDC's [less-developed countries] and so we're trying to exploit each other." He adds that using short-term interbank funds to finance long-term assets like bonds "has historically always been a recipe for a market collapse."

The hazard is that interest rates can change to cause the cost of the repeated short-term borrowing to outpace returns on the long-term assets. (Reuters)

Ashkelon mayor seeks development zone 'A' status

Ashkelon Mayor Eli Dayan Monday vowed to stage a one-day city-wide factory shutdown if a largely unoccupied 2,000-dunam industrial park is not granted development area "A" status by the government.

Dayan said five foreign companies had expressed interest in opening facilities in the industrial park but only if the government designated the area for area A subsidies.

Business leaders score rate hike

By LEA LEVAVI and SIMON LOUISSE

TEL AVIV. — Business leaders yesterday slammed the Bank of Israel for its decision to raise interest rates, and the Federation of Israeli Chambers of Commerce threatened to seek a court order to prevent the hike.

Dan Gillerman, federation president, told a press conference that his group would take its case either to Tel Aviv District Court or to the High Court of Justice.

A suit in the district court would be based on section seven of the package deal agreement, which calls for lower interest rates. He said. A plea to the High Court would be based on section three of the Bank of Israel law, which says the central bank is obligated to carry out government economic policy, Gillerman added.

Meanwhile, Manufacturers Association Director-General Arnon Tiberg charged that the move

threatened economic stability and imposed an additional cost on manufacturers. He doubted the central bank's insistence that the move was only temporary.

Tiberg contended that the interest rate hike—amounting to 1 percentage point a month, a 60 per cent increase on the prior rate to 31 per cent annually—would be maintained indefinitely. The central bank took the move in expectation that the cost-of-living index would rise between 1.5 and 2 per cent in each of the next two months. After such a rise, it will be impossible to lower interest rates again as the Bank of Israel claims it will.

Meanwhile, Gillerman said, a rise of 1 per cent a month in the prime rate, which is the rate the banks charge to their best business customers, would raise the effective interest rate from 61 to 79 per cent and add a burden of \$500 million to the business sector's interest burden. The result will be bankruptcies, higher prices for consumers and higher in-

flation. "Inflation in Israel has never been demand inflation; it has always been inflation of cost and expectations," Gillerman said. "The government is raising costs and expectations."

The higher interest rates will not reduce credit demand, as the Bank of Israel believes, because in the business sector, at least, much of the credit taken is to pay off interest. "Just when they want to help the kibbutzim or Solel Boneh or Kupat Holim with problems resulting from high interest, they want to make the same mistake again and raise interest rates."

However, an independent analyst with the economic group Euroteam, who asked not to be identified, told *The Jerusalem Post* that the increases would have a negligible effect on large manufacturers' costs because most of the credit they obtain is directed credit, which will not be affected by the rise. Other

business sectors, such as services and small manufacturers, will be more seriously affected.

The analyst said only 15-20 per cent of large manufacturers' credit is free credit and that a 12 per cent rise in interest rates on this amount will affect overall costs by less than 2 per cent. Because commissions and fixed charges will remain the same the effect on costs will be "insubstantial."

More likely to affect manufacturers will be the slowdown in sales because of the tightening of credit, he said.

At present inflation is being fueled by excessive demand, and the more restrictive monetary policy will help to dampen that down as consumers find credit considerably more expensive.

The analyst said the effect of the move on the whole economy will be positive as it will help to slow the monetary expansion which has allowed inflation to run at 25 per cent on an annual basis.

Steel recycling plant is opened

By SIMON LOUISSE

ASHDOD. — It's no longer coal to Newcastle, its steel to Pittsburgh, following the official opening of a steel recycling mill in Ashdod Monday.

Industry and Trade Minister Ariel Sharon officially opened the Ram Metals and Building Industries Ltd. plant, which intends to export one-third of its 70,000 metric ton planned capacity to the U.S. It will be the first time an Israeli company is exporting steel to the U.S.

The \$16 million plant is recycling rails imported from Europe into deformed reinforcing bars, which are used by the construction industry.

The plant is a 50/50 venture between Rubi Asa, owner of Shira Building, Trading and Marketing Ltd., and an international group of British-based investors. Queensborough Rolling Mill Co.

The plant's construction began in July 1985 and the first line came in to production six months ago. The plant is currently producing 3,000 tons per month and has a work-force of 100. When the second line comes into production later this year capacity will be stepped up to 6,000 tons and 30 additional workers will be employed. Of the total production, additional 25,000 tons, valued at \$7.5m., is planned for export.

The first order of 5,000 tons, valued at \$1.5m., has already been shipped to the U.S.

Asa says the company is able to export to the U.S. because the raw materials used, rail lines, are cheaper than steel billets. Manufacturing is done to Israeli standards and is under the supervision of the Technion.

Asa's trading company, Shira, used to import deformed bars to Israel, but five years ago restrictions were placed on imports when the Kiryat Haplada steel plant began production. Because of the restrictions placed on him, Asa said he began to seek out partners to establish his own manufacturing plant. Queensborough was able to provide the know-how and Asa the marketing knowledge. The plant was built without any government assistance.

Marco Gandini, Queensborough managing director, said that his company's know-how coupled with Asa's contacts and marketing gave him confidence to proceed with the investment.

"The Israeli risk politically is not what it was 10 years ago," he said. "We don't feel there was an economic risk because even in an inflationary situation it does not necessarily mean recession."

Gandini said his company had been facing a market recession in Europe for several years now and in view of this Israel looked an attractive place to invest.

"Israel is a country where the people are eager to do things. If people have suffered they are ready to work hard," he said.

Gandini said that when establishing an industry you can have either good raw materials or a good market, and ideally both, but a good market is most important.

Gandini commented that the results so far are "very interesting" and plans are already afoot to establish a second operation on land acquired by the joint venture.

Greece, Israel launch joint tourism project

NEW YORK (JTA). — Israel and Greece announced Monday the start of an unprecedented cooperative tourism programme designed to attract more American tourists to the two countries.

"We are very excited about this historic venture, which will link not only the world's oldest civilizations, but also two of the most exciting vacation destinations in the world," Simon Dimas of the Greek National Tourist Organization declared.

According to the two officials, the programme would encourage tour operators currently active in the market to expand their services and induce those not selling such combination packages to enter the market. The two countries have allocated \$200,000 each for a joint advertising

campaign that will implement the programme.

Last November Israeli Tourism Minister Abraham Sharir and his Greek counterpart Takis Roumeliotis signed a tourism pact, part of which called for cooperation in promoting tourism in the U.S.

There was a sharp decline in tourism from the U.S. to Israel and Greece last year. Shoshani said that only 250,000 American tourists came to Israel in 1986, compared with 430,000 in 1985. Dimas said about 230,000 American tourists visited Greece in 1986, compared with 460,000 in 1985.

The joint Israel-Greece tour programme offers five days each in Greece and in Israel with flights from New York to Athens to Tel Aviv and back to New York.

Negev banker charged with embezzlement

By BRADLEY BURSTON

For The Jerusalem Post
BEERSHEBA. — A senior Negev bank official was charged Sunday with having bilked overseas depositors of over \$100,000. But because of complications in the embezzlement scheme, little seems to have reached the suspect's pocket.

According to the charge sheet filed in the Beersheba District Court, Yosef Moyel, formerly foreign currency manager in Bank Hapoalim's main Negev branch, cooperated with Beersheba resident Yosef Rhoda in withdrawing \$34,000 from the account of Rhoda's father in 1974. The plan reportedly went awry when the elder Rhoda, a French resident, paid a surprise visit to Israel in 1978.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:		Turnovers:		4.25% fully-linked	
General Share Index	117.22-1.08%	Shares—total	NIS 63,928,700	80% linked	Falls to 3%
Non-Bank Index	132.66-0.58%	Arrangement	NIS 43,199,400	Double-linked:	Falls to 3%
Arrangement	106.98-1.39%	Non-bank	NIS 20,730,300	Dollar-linked:	Falls to 3%
Insurance	121.71-2.10%	Bonds—total	NIS 14,903,400	Admon	Falls to 2%
Real Estate	128.31-0.77%	Index-linked	NIS 11,837,200	Ringo	Falls between 3% to 6%
Real Estate	128.72-0.22%	Dollar-linked	NIS 3,080,200	Gilboa	Falls to 3.5%
Industrials	134.16-0.78%	Treasury Bills	NIS 3,150,100	For Curr.	
Textiles	127.37-1.70%			denominated	Slightly mixed
Metals	124.80-1.41%			Treasury Bills	
Electronics	142.38-0.08%			(annual yield)	21.80-31.15%
Chemicals	124.43-0.39%				
Industrial Invest.	154.10-0.57%				
Investment Cos.	142.43-0.05%				
General Bond Index	109.89-1.34%				
Index-linked Bonds	110.70-1.24%				
Fully-linked	112.79-1.29%				
Partially-linked	107.42-1.15%				
Dollar-linked Bonds	104.35-1.96%				
Short-term 0-2 yrs	108.56-1.03%				
Medium-term 2-5 yrs	109.34-1.35%				
Long-term 5+ yrs	111.48-2.02%				

SELECTED PRICE QUOTATIONS

Name	Price	Volume	% change
Trade & Services			
Mair Ezra	1398	7571	-1.5
Supernol 2	10800	2190	-1.8
Orlik	4540	5237	-0.7
Lightage	18000	18	—
Cold Storage	1080	4600	-7.7
Dan Hotels	2080	950	—
Yarden Hotel	2690	150	-3.2
Hilon 1	no trading	—	—
Tam 1	1005	28598	—
Real Estate, Building and Agriculture			
Azoric	1140	24089	—
Elion	528	15339	-0.6
Africa Int. 0.1	51999	139	—
Dankin	5500	424	-3.4
Prop. & Bldg.	5070	1859	—
Bayside 0.1	6088	1038	—
ILDC r	94100	79	—
Rassco r	6600	124	-1.3
Mahadim	11520	357	-1.1
Haderim	2170	10927	—
Industrials			
Dubek B	5740	1474	—
Ph-Ze 1	no trading	—	—
Sunifrost	15300	115	-0.3
Elite	21200	734	-3.6
Argam	785	16379	-1.4
Argam r	16650	257	-4.8
Delta G	4040	1424	-2.9
Levaco 1	4840	578	—
Eagle 1	25188	b.o.1	+5.0
Polgat	4975	3085	-2.0
Schoeller	14700	214	-8.4
Rogovin	2810	1351	—
Urban 0.1	9400	157	-3.4
Is. Can Co. 1	3570	3131	-1.4
Zion Cables	2700	769	-2.5
Pecker Steel	20000	264	-3.6
Elbit	559000	60	-1.1
Investment Companies			
IDB Dev. r	7840	4526	—
Elion	4748	2861	—
Affk 1	1800	125	—
Israel Corp. 1	17000	4139	—
Wolfson 1	130000	138	—
Hapoalim Inv.	10200	1162	-1.0
Discount Invest.	4580	2859	—
Mizrahi Invest.	31000	22	+0.3
Clal 10	1860	8701	—
Leumi 0.1	1151	461	—
Pama 0.1	12000	119	-0.6
Oil Exploration			
Paz Oil Expl.	27500	314	-0.7
J.O.E.L.	4510	1175	-3.2

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ISRAEL MONEY MARKETS

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.58% per month
Unlinked Deposit (Annual Rates)

LEUMI	HAPOALIM	DISCOUNT	MIZRAHI	FRIST INTL
27.2	27.1	17.12	1.12	13.1
8-18.25%	8-17.00%	7-16.00%	10-16%	8-19.25%
12-21.75%	12-20.50%	14-18.50%	16-19.50%	12-21.75%
18-25.00%	18-20.00%	20-22.00%	22-24.00%	24-26.00%

PATAH — FOREIGN CURRENCY DEPOSIT RATES (February 9)

USD (\$100,000)	3-MONTHS	6-MONTHS	12-MONTHS
STG (100,000 pounds)	9.375	9.125	9.125
DMK (100,000 marks)	3.000	3.000	3.125
SFR (50,000 francs)	2.375	2.500	2.625
YEN (1,000,000 yen)	2.375	2.500	2.625

SHEKEL FOREIGN EXCHANGE RATES (February 10)

Currency basket	1	1.6590	1.6800	1.6701
U.S.A. Dollar	1	1.5975	1.6175	1.6074
Deutschmark	1	0.8789	0.8909	0.8861
Pound Sterling	1	2.4382	2.4657	2.4521
French Franc	1	0.2639	0.2672	0.2659
Japanese Yen	100	1.0448	1.0579	1.0509
Dutch Florin	1	0.7793	0.7890	0.7852
Swiss Franc	1	1.0428	1.0558	1.0502
Swedish Krone	1	0.2480	0.2491	0.2478
Norwegian Krone	1	0.2286	0.2315	0.2294
Danish Krone	1	0.2328	0.2357	0.2346
Finnish Mark	1	0.3520	0.3564	0.3546
Canadian Dollar	1	1.1986	1.2116	1.2035
Australian Dollar	1	1.0631	1.0764	1.0703
S. African Rand	1	0.7724	0.7821	0.7778
Belgian Franc	10	0.4193	0.4245	0.4236
Austrian Shilling	100	1.2500	1.2556	1.2535
Italian Lira	1000	1.2374	1.2529	1.2450
Jordanian Dinar	1	—	—	—
Egyptian Pound	1	—	—	—
ECU	1	1.8132	1.8359	1.8266

SUPPLIED BY BANK LEUMI

EUROPEAN FINANCIAL MARKETS

